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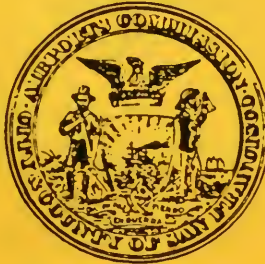


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SAN FRANCISCO AIRPORTS COMMISSION



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MINUTES

JANUARY 5, 1993

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COMMISSIONERS

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President

J. STANLEY MATTISON
Vice President

L. ANDREW JEANPIERRE

JAMES K. HO

MARIE K. BROOKS

LOUIS A. TURPEN

Director Of Airports

SAN FRANCISCO INTERNATIONAL AIRPORT
SAN FRANCISCO, CALIFORNIA 94128

Index
of the Minutes
Airports Commission

January 5, 1993

<u>CALENDAR SECTION</u>	<u>AGENDA ITEM</u>	<u>TITLE</u>	<u>RESOLUTION NUMBER</u>	<u>PAGE</u>
A.		CALL TO ORDER:		3
B.		ROLL CALL:		3
C.		ADOPTION OF MINUTES:		
		Regular meeting of December 1, 1992	93-0001	3
D.		ITEMS INITIATED BY COMMISSIONERS:		3
E.		ITEMS RELATING TO ADMINISTRATION, OPERATIONS & MAINTENANCE:		
	1.	Award Sale of Second Series Refunding Bonds:		
		Issue 3	93-0002	4
		Issue 4	93-0003	16
	2.	Supplemental Appropriation of Refunding Bond Proceeds		4
	3.	RFP - Ferry Planning Study		3-4
	4.	Award of Contract 1950 - Lighting & Electrical Service - North Access Road & Vicinity	93-0004	4 7-15
	5.	Establish Bureau of Planning	93-0005	4-5
	6.	Credit to Shell Oil for Installing Fuel Line Cross Connection	93-0006	5-6
F.		CONSENT CALENDAR OF ROUTINE ADMINISTRATIVE MATTERS:		
	7.	Contract 3184 - Professional Services - RFQ followed by RFP for on-site History, Analysis & Remediation Plans for Airport Construction Sites	93-0007	6

8.	\$78,000 Modification of Passenger & Employee Survey Contract	93-0008	6
9.	Lingerie & Haberdashery Shop - Design Approval	93-0009	7
10.	Authorize Pre-Bid Conference for Sixth on-Airport Automobile Rental Operator	93-0010	7
11.	Insurance/Business Service Center Lease - Exercise Final Three-Year Option Period	93-0011	7
G.	NEW BUSINESS:		16
H.	CORRESPONDENCE:		16
I.	CLOSED SESSION:		
	Pending Litigation: Millbrae, Brisbane v Airport; Sierra Point Assoc. Two, The Koll Co. v CCoFSF		16
J.	ADJOURNMENT:		16

Minutes
of the
Airports Commission Meeting

January 5, 1993

A. CALL TO ORDER:

The regular meeting of the Airports Commission was called to order at 11:30 A.M. in Room 282, City Hall, San Francisco, Ca.

* * *

B. ROLL CALL:

Present:	Patrick A. Murphy, President
	J. Stanley Mattison, Vice President
	L. Andrew Jeanpierre
	James K. Ho

Absent:	Marie K. Brooks
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* * *

C. ADOPTION OF MINUTES:

The minutes of the regular meeting of December 1, 1992 were adopted by order of the Commission President.

93-0001

* * *

D. ITEMS INITIATED BY COMMISSIONERS:

There were no items initiated by Commissioners.

* * *

E. ITEMS RELATING TO ADMINISTRATION, OPERATIONS & MAINTENANCE:

Item no. 3 was taken out of order.

3. Request for Proposal: Ferry Planning Study

Request for Proposals to hire a consultant to develop a Ferry Planning Study. Consultant to define potential routing, schedule, ridership, funding, participants and markets for ferry service to the Airport and plan a possible hovercraft demonstration project for the summer of 1993.

Ms. Angela Gittens, Deputy Director for Business and Finance explained that this is actually a Director's Report and does not require action at this time. She pointed out one change in the Request for Proposal where it incorrectly states that M/W/LBE rating preferences would not be awarded for this contract. She said that this was a very exciting prospect and hoped that it panned out.

Item nos. 1, 2 and 4 were put over to the end of the meeting.

1. Award of Second Series Refunding Bonds, Issues 3 & 4

Ms. Gittens said that very attractive bids were received for both Series B and E. The resolutions for Commission action will be delivered by Noon.

2. Supplemental Appropriation of Refunding Bond Proceeds

4. Award of Contract No. 1950
Lighting and Electrical Service - North Access Road & Vicinity

Item no. 5 was adopted unanimously.

5. Establishment of the Bureau of Planning

No. 93-0004

Resolution, in accordance with Charter Section 3.692, establishing Planning as an Airport Bureau responsible for matters pertaining to all Airport divisions.

Ms. Gittens explained that the MOU with San Mateo County communities as well as the condition of the Master Plan itself requires some 120 mitigation measures that cut across a variety of Airport divisions. The Airport is trying to identify priorities and insure that attention is paid to them.

Commissioner Ho asked if a budget has been established.

Ms. Gittens responded that it is being included in the upcoming budget, but a supplemental is planned for this year to get started.

Commissioner Mattison assumed that the actual funded position will be embedded in our existing budget but the support for that new division will be added at a later date.

Ms. Gittens said that that was correct. The assistant position would probably appear in next years budget.

Commissioner Mattison agreed this was a good idea. It sounds like it would be necessary for at least three or four years, if not longer.

Item no. 6 was adopted unanimously as amended.

6. Provide Credit to Shell Oil Company for the Installation of a Fuel Line Cross Connection

No. 93-0005

Resolution approving a credit to Shell Oil Co. for the installation of an 8-inch fuel line cross connection.

Ms. Gittens recommended amending the final resolve clause to read: "That this resolution shall become effective only upon execution and approval by Airport of appropriate agreements providing for reasonable compensation to Airport and assumption of responsibility for use of cross connection by operator."

Commissioner Mattison said that it sounds as if this needs to happen.

Ms. Gittens said that it does need to happen. The question is who will be responsible for paying for it. We want to shore up the various agreements before we actually undertake the rental credit. A meeting will be held today with the responsible parties, but in the interest of allowing us to move quickly the Commission is being asked for its approval today.

Commissioner Mattison asked if the existing lines would stay in place or would the cross connection be permanent.

Mr. Dennis Bouey, Deputy Director of Facilities Operations and Maintenance responded that the distributor comes from Plot 3, the satellite. That will be removed within the next few months. The cross connection will be permanent.

Commissioner Murphy asked if these were old lines that have failed or new lines that were improperly installed.

Mr. Bouey responded that they were very old lines.

Commissioner Murphy assumed that this was not Shell Oil's fault.

Mr. Bouey responded that it was not.

Commissioner Ho did not understand why the Airport was providing a credit.

Ms. Gittens responded that the Airport may not pay the credit. Staff is trying to sort out who is going to pay for what. This is a back up in case all those efforts fail so that we do not lose the line while everyone is wrangling over responsibility.

* * *

F. CONSENT CALENDAR OF ROUTINE ADMINISTRATIVE MATTERS:

Item nos. 7 through 11 were adopted unanimously.

7. Contract No. 3184 - Professional Services - Request for Qualifications followed by Request for Proposal for Services for on Site History, Analysis and Remediation Plans for Airport Construction Sites

No. 93-0006

8. \$78,000 Modification of Passenger and Employee Survey Contract

No. 93-0007

Resolution authorizing modification of passenger and employee survey contract to provide for additional services.

Commissioner Mattison asked if a survey like this has ever been done before at the Airport. He thought it was great.

Ms. Gittens responded that it has.

Commissioner Jeanpierre asked what type of information the staff expected to get from the survey.

Ms. Janice Gendreau, Landside Operations responded that this is a Bay Area Air Quality Management District rule that was passed recently requiring employers with 100 or more employees to take certain steps to get their employees into high occupancy vehicles.

Ms. Gittens said that once the survey has been constructed we may take the opportunity to survey other matters.

Commissioner Ho asked where Polaris is located.

Ms. Gittens believed they were a San Francisco-based company.

9. Lingerie and Haberdashery Shop - Design Approval

No. 93-0008

10. Authorization to Conduct a Pre-Bid Conference for Sixth on-Airport Automobile Rental Operator

No. 93-0009

Resolution authorizing a Pre-Bid Conference for a Sixth On-Airport Automobile Rental Operator "Counter Space Only."

11. Insurance/Business Service Center Lease Exercise of Final Three-Year Option Period

No. 93-0010

Resolution approving Tele-Trip Co., Inc.'s exercise of option extending the Insurance/Business Service Center Lease for remaining three-year period.

The following item was put over to the next meeting.

4. Award of Contract No. 1950

Lighting and Electrical Service - North Access Road & Vicinity

Resolution awarding Contract 1950, Lighting & Electrical Service, North Access Road & Vicinity to Edward W. Scott Electric Co., Inc. in the amount of \$242,506.00.

Ms. Gittens explained that there are certain issues regarding this item that will require more time to review. She recommended putting the item over to the next meeting.

Commissioner Murphy felt that those individuals who appeared today to speak on this item should be allowed to do so. They will be subject to the Commission's three-minute rule.

Mr. Monsa Nitoto said that he was with the Coalition for Afro-American Empowerment. He said that Afro-Americans are getting shut out of contracts. He felt that HRC made arbitrary decisions regarding this contract. He doesn't know how long Thunder Electric has been a WBE, nor does he know MBE percentage for Afro-Americans, Asians or Chicanos. He thought that Pansy Waller and HRC were being arbitrary.

Mr. Nitoto said that he would like to see a process that would allow them to participate. He asked the Commission to put the item over so that there would be time to give this a closer look.

Commissioner Mattison asked Mr. Nitoto if he was challenging the claimed percentages used.

Mr. Nitoto responded that he wanted to clarify the challenges and to understand how this company is being accepted under the circumstances.

Commissioner Murphy said that part of Mr. Nitoto's complaint is with HRC. He said that staff would be happy to hear from him at any time.

Commissioner Mattison explained that the assignment of bid preferences comes from the Human Rights Commission.

Commissioner Murphy noted that in this case the bid preferences won't make any difference if Scott is disqualified.

Commissioner Mattison agreed that it wouldn't matter in this particular case but he wanted it understood that the percentages are not arbitrarily assigned by Airport staff, they come from HRC.

Mr. Gittens asked Mr. Nitoto if that was the issue he was addressing.

Mr. Nitoto said that it was in part. He also wanted the item put over to give him time to better understand how decisions are made.

Commissioner Ho asked Mr. Nitoto if he has spoken with HRC yet.

Mr. Nitoto said that they seem to be fairly clear minded on this. He had some questions about the WBE legality and how long it had been transferred from Roger Trucking. He had a number of questions.

Commissioner Murphy suggested that he take the issue up with HRC prior to the next meeting. He understood Mr. Nitoto's more general point.

Mr. Christopher Albert, Willie Electric said that he has appeared before this Commission on several different occasions and has never received any remedy in the process. He is once again before the Commission to protest a bid on the grounds of non-compliance.

Mr. Albert said that he was rejected twice on Contract 1940 because he failed to meet participation requirements as defined in 12D. He did not use a San Francisco-based contractor, although he had met and exceeded the Afro-American contracting goal on the project. He had approximately 25 percent San Francisco-based Afro-American owner-operated companies on the project. He said that none of the contractors ahead of him had adhered to any of the regulations.

Mr. Albert said that it has been his experience that neither HRC nor the Airport care if Afro-American contractors get the job. They do what they want. He said he has sent numerous letters to Ed Lee.

Mr. Albert said that he protested Contract 1958 awarded to Oliver De Silva. He said that everyone knows that Oliver De Silva did not perform the work as Pansy Waller claimed. He had asked the Commission to investigate the situation but no one listened to him.

Mr. Albert said that the same thing happened to him on a job he bid in Alameda County. No one on the Board listened to him. Now, the Grand Jury is conducting an investigation and the Black American Association and Coalition for Afro-American Empowerment are involved. He said that he has protested everything and it's to the point that Afro-American contractors are not getting jobs. Ed Lee admits this.

Mr. Albert said that this situation exists all over the United States and no one wants to do anything about it.

Commissioner Jeanpierre asked Mr. Albert why he felt Afro-Americans were unsuccessful in winning contracts.

Mr. Albert responded that he felt that no one is serious about Afro-American contractors getting any work in this area.

Commissioner Jeanpierre told Mr. Albert that he would be interested in seeing documentation on cases where qualifications weren't honored and the contracts not obtained even though the pricing was in line.

Mr. Albert said that his bid was definitely in line on the last contract and all of his subcontractors were legitimate.

Commissioner Jeanpierre asked if it was an Airport contract.

Mr. Albert responded that it was.

Commissioner Jeanpierre asked Mr. Albert to put it in writing and send it to the Director. He said someone would look into it and get back to him. He thought that more dialogue was needed to ensure that contractors understood HRC rules and how the Airport operates.

Mr. Albert said that he has done that on several occasions. This is his third time before the Commission.

Commissioner Jeanpierre asked with whom he has met.

Mr. Albert responded that he has met with Ed Lee on several occasions. He said that Mr. Lee told him that if he did not pursue his claim on the Airport he would make sure his company got work. They should have been awarded the job. Mr. Albert said that Black contractors would never get work at the Airport. He felt that ever since Dennis Bouey and Lou Turpen removed Kevin Williams, who fought for legitimate Afro-American, Asian and Hispanic contractors, it has been a shambles.

Commissioner Jeanpierre said that he was interested in fairness. Qualified contractors should get the contracts. He suggested to Mr. Albert that he put his comments in writing. He said that he would be willing to follow up and meet with him.

Mr. Albert said that he would put this information in writing.

Commissioner Jeanpierre said that the Commission is sincere.

Mr. Nitoto added that they realize there is a depression. They also realize that people like Oliver De Silva are well established. Afro-American contractors need a leg up and they hoped the Commission would rotate some of these jobs. They have been forced into a position of becoming radicals instead of businessmen.

Commissioner Mattison asked Mr. Nitoto if he was suggesting that the competitive bidding process be abandoned.

Mr. Nitoto responded that he would not make that suggestion. But it is clear that they are starving and they are angry about it. They are trying to be gentlemen about this and want to talk to the Commission.

Commissioner Murphy said that he appreciated that approach. He also appreciated Mr. Albert telling the Commission about his problems. He said that the Airport had some problems with Mr. Albert's company some years ago. He assumed that those problems were behind him.

Mr. Albert said that the Airport never had problems with his company.

Commissioner Murphy explained that it was when the company was operated by Leroy Albert.

Mr. Albert said that that was a separate company operated by his brother.

Mr. Nitoto said that Christopher Albert is far more articulate and developed than many other contractors who are not capable of coming before the Commission. The Coalition has begun so that Afro-American contractors would have a voice. It is clear that minority companies are failing. He said that some of the white contractors are getting their wives to take over their companies. That does not create a fair relationship in the long run.

Mr. Ray Lynch, Scott Electric, said that his company is the apparent low bidder on this contract. He was notified yesterday that he does not meet the minority participation requirements. He explained that they received telephone bids from subs who claimed to be certified minority contractors. They were not.

Mr. Lynch said that he couldn't reach anyone at HRC between Christmas and New Years. They had five days in which to submit their bid forms. By law they are allowed to increase but not decrease amounts of their listed subs. Vickers, a listed sub, gave a quote of about \$21,000. The work involved demolition, removal and concrete cutting. They went through the bid with Vickers. Vickers was only listed for \$2,000.

Mr. Lynch said that Scott intended to increase the sub's amount within the five-day period. They have been trying to notify HRC of their intention. That increase will give them 10.3 percent. He intends to follow up with HRC. They know that they can't add subs to the list. They know that they can't decrease their contract amount. They also know, because they've been to court on this, that they are allowed to increase the amount of participation of listed subs and that has been their intention.

Mr. Dennis Bouey, Deputy Director for Facilities Operations and Maintenance said that staff is always willing to meet with anyone. He also said that the matters brought before the Commission today are strictly within the jurisdiction of HRC. Per the Commission's own policy, the Airport needs to get determinations from HRC or it would not be able to award contracts. Also, the Airport has a longstanding policy of increasing opportunities not only for Afro-American firms but for all minority and women-owned firms. To that end, two years ago they hired an Afro-American owned company, Business Development, Inc., who specifically tries to find more minority firms with an emphasis on Afro-American firms, to do business at the Airport.

Mr. Bouey added that they have recently done the first set aside for the Airport. It is currently in the bidding process and is the first of its kind in the City. Only Afro-American and women-owned businesses can bid on the set aside contract.

Commissioner Murphy suggested that staff report back on a game plan for the Master Plan for the new International Terminal and related construction to ensure minority participation on a substantial amount of that project.

Ms. Pansy Waller, HRC, stressed that her office is more than willing to meet with anyone, especially primes that she personally certified ten or twelve years ago. HRC is there to assist, not hinder. They are there to promote and encourage.

Commissioner Mattison said that this issue has been visited over and over again for the years. The Commission continues to have a strong commitment in this arena but it is troubling to have people come back and claim that the procedure lacks integrity, is confusing or that someone is not playing by the rules or the ball is being dropped. Those accusations have to be addressed and rebutted one by one.

Commissioner Mattison asked Ms. Waller if she felt comfortable that HRC is clear in its compliance procedures and communication. He hoped that HRC's timelines and avenue of recourse allowed bidders to feel that they are being treated properly so that the bid process was on a level playing field.

Ms. Waller responded that HRC does its very best. They recently held an outreach workshop where the new ordinance was clearly defined and explained and the good faith efforts that a firm must make were emphasized. HRC's different elements and functions were explained. The certification process was described in great detail. They explained what is looked for in certifying firms to make sure the criteria is met. They explained that they now have a new ordinance where the goals are established on a contract by contract basis.

Ms. Waller said that one of the bidders on this contract was under the assumption that the goal was 18 percent for MBE. It was not. It was 8 percent for MBE and .7 percent for WBE. She said that a lot of information has not reached many of the firms. HRC is doing its very best to conduct workshops and with the help of the Airport and other key departments has been able to focus its staff to make sure that is

happening. Another workshop is being held on January 29 to explain the design aspects of the ordinance. They expect a good turn out.

Mr. Albert submitted a copy of a letter he received from Dennis Bouey yesterday in which he mentioned HRCs approval of Thunder Electric. The only goal that they met was the WBE goal which was \$3,000. They did not make any other goals.

Commissioner Murphy said that he understood Mr. Albert's frustration. He said that the item would be put over. He did not think the bidding preferences would effect the award of this contract due to the dollar amounts bid. However, he felt the point was to alleviate frustration and make sure the opportunities were there. That's what he wants to work on. He said that he was not faulting HRC and that the Commission's experience with Ms. Waller has been very good.

Commissioner Jeanpierre felt that the Airport was sincere in disseminating information relative to how to procure contracts. He said that HRC is charged with monitoring contracts and ensuring participation. While the Airport has its own Outreach Officer, Sandra Crumpler, as well as other agencies involved in this process, it seems that there are still some things that are being misinterpreted by contractors. We may need to take a look at what else can be done to make this a cleaner process and the rules and regulations more easily understood by the bidders. There is misunderstanding regarding the particulars of Chapter 12D and how the Airport operates, coupled with the City's objective to get a good product at a fair and low price.

Ms. Gittens said that the new subcontracting ordinance creates a new complication. At one time we had subcontracting goals. The City dropped them and then reinstated them, which added to the confusion. We have rating preferences such as San Francisco or non-San Francisco based, size standards and now we have subcontracting goals which cross through all the other standards. It is a complex issue. She said that while she was not suggesting that it could be made simple she did feel that more communication was needed.

Commissioner Mattison asked if there were a compliance facilitator function to assist bidders on a case by case basis to determine if they are in compliance, where they will fail, and what they need to do to achieve compliance. He asked if that would be the Airport's jurisdiction or HRC's. These things need to be interpreted and turned into plain English, explaining exactly what would and wouldn't cut it.

Commissioner Jeanpierre said that the Commission receives arguments from contractors who appear to be sincere about what they perceive the problem to be. Ms. Waller then gives another side. He said that it all sounds good and appears to make sense. An interpretation is needed so that the Commission can make decisions.

Commissioner Murphy said that the issue of compliance with the bidding preferences properly falls under HRC, not the Airport. It is not the Airport's function to interpret statutes and regulations. It is the Airport's business to determine in which ways we can assist minority applicants in getting their bids together, forming joint ventures and

Minutes, January 5, 1993, Page 12

coming up with a complying bid. We have to let HRC and the bidding preferences fall where they may. However, the Airport can help people submit conforming good bids before we even get to the subject of bidding preferences. Perhaps workshops should be held on that issue and possibly set aside programs are another approach. He said that those are the things that fall within the Commission's jurisdiction.

Mr. Nitoto asked if some independent look at the process could be added. He suggested that an independent investigation by someone who would not be biased by historical contractual relationships.

Commissioner Murphy felt that his suggestion would be more useful. He has heard Mr. Albert's frustration expressed by others when they are told that there is something wrong with their bid. He said that the Airport has tried to be as independent as possible in the award of contracts but we need to make sure that minority bidders have every opportunity to get their bids in order.

Mr. Nitoto commented that if he stole chickens and his son was the Sheriff he would never arrest him.

Commissioner Mattison asked Mr. Nitoto if he wanted to investigate the Airport, HRC or both.

Commissioner Murphy said that he did not think an independent oversight was needed. What is needed is communication.

Mr. Bill Jones, Vice President of African-American Contractors of San Francisco, said that the percentage of MBE/WBE participation fluctuates between contracts and asked what the reason was for this.

Mr. Dennis Bouey responded that it is a matter of opportunity. The dollar size of the contract is a factor, the amount of subcontracting involved, the complexity of the project. If it's a simple paving job involving no other work there will be no subcontracting opportunities. If it's a complex runway job involving piping, concrete, electrical, excavation, mechanical, trucking, MBE opportunities will be available. HRC looks at the job and establishes what the goal will be.

Ms. Waller added that goals are arrived at on an availability basis. We look to see who is out there with the required license. HRC has an analysis that makes that determination for them. The goals are set on a contract by contract basis based on the actual contract participation that would be expected within any of the given trades.

Mr. Jones said that certain licenses and certain trades are available but it seemed that HRC was picking at integrity. His point was that Willie Electric is the only Afro-American firm able to bond their own projects. For years the problem was that minority contractors, especially Afro-Americans, couldn't finance projects or get bonds. They now have contractors who can do these things yet they still have the same problem. He felt that the whole program should be looked at and these issues should be brought before people with experience in handling them.

Mr. Lynch said that his company does a lot of government work. He felt that the Commission's emphasis was to help and have set aside projects. He said that he knows these people. They are trying just as hard as everyone else. They need a boost, just as Scott Electric needed it years ago, to get over the hump.

Commissioner Mattison said that in this instance it is not a question of a close bid. The differential is 34 percent.

Mr. Lynch said that they all bid against each other all the time. You can't all the jobs and it does hurt to lose them. They feel that the first three bidders should step aside but that doesn't happen in the real world. They won't get some jobs and this might be one of them.

Commissioner Mattison asked Mr. Lynch if it was his guess that they were getting this bid because they were very aggressive.

Mr. Lynch said that they do more of this type of work than anyone and that is why they had the edge.

Commissioner Mattison assumed that the difference was that Mr. Lynch could do it with fewer hours and less uncertainty.

Mr. Lynch added that he owns his own equipment. These contractors need help today just as he needed help 10 or 15 years ago. This is the type of work that he focuses on doing and that's why he has the lowest bid. It doesn't have anything to do with minorities or money.

Mr. Albert said that he specializes in the same type of work. He said that on a previous contract the bid was awarded to a contractor that was \$50,000 higher than his. Cost was not a factor in that contract.

Mr. Albert said that the Commission would offer set asides if it were truly interested in helping minority contractors. Afro-American contractors can do the job. The Airport is losing a lot of talent. He said that if there were a level playing field he would not be here today. Afro-American contractors hire from within their community to make sure that Afro-American students have jobs when they get out of school. White contractors don't do that. These are the issues the Commission must address. Afro-American contractors are capable of performing the work but they need help in financing and bonding.

Commissioner Jeanpierre asked if everyone was aware of the fact that the Airport has hired BDI to assist minorities.

Mr. Bouey said that he could not speak for every contractor knowing about BDI but they have worked with individual companies and assisted with bonding and insurance problems. They have done outreach. They acted as a liaison for the Airport when it had problems with truckers. They have performed very successfully.

Commissioner Jeanpierre asked if the Airport had an on-going contract with BDI.

Mr. Bouey said that it's a contract by contract basis and it was just renewed. They will be on board for at least another couple of years.

Mr. Albert said that he was aware of BDI's contract with the Airport. BDI is the outreach coordinator for the Oakland renovation. They just told the City of Oakland that they don't want BDI on the project. BDI is getting paid to do whatever HRC or anyone else tells them to do. They aren't doing outreach. BDI claims they sent out 800 letters and only received 200 responses. The average white contractor sends out that many letters. They are not effective. Afro-American contractors need to be in control of their own destiny. That means that they get the funds and do the monitoring to ensure that legitimate contractors get the job, not these fly by night companies.

Commissioner Jeanpierre said that BDI has a pretty good reputation.

Mr. Albert said that he knows Mr. Hayes but he's not a contractor. BDI isn't in this to ensure that Afro-Americans become prosperous. That's the purpose of Afro-American Contractors of San Francisco.

Mr. Nitoto said that they will deal with BDI but it doesn't solve the problem.

Commissioner Jeanpierre asked who reviews the results of BDI's work.

Ms. Gittens responded that the results are looked at on a quarterly basis with respect to the proportion of MBE/WBE participation. We tend to look at who the winners are because that's what's important. We have not paid enough attention to reviewing the contracts and the participation rates. To understand the problem we need to review what the participation rate has been in what kinds of contracts.

Commissioner Ho thought that was a good idea.

Commissioner Mattison thought that Commissioner Murphy's suggestion of putting together a game plan regarding the Master Plan and making recommendations was a good one.

Commissioner Murphy doesn't want the Commission to focus on bidding preferences. That's HRC's responsibility. He wants the Airport to focus on helping bidders and determining why they are unsuccessful.

Ms. Gittens said that that kind of rigor will be needed for us to be able to justify a set aside program.

Mr. Nitoto asked who will be the staff contact.

Commissioner Murphy responded that it will be Mr. Bouey. He said that if there is a problem with staff they are always welcome to return to the Commission.

Item no. 1 was adopted unanimously.

1. Awarding Sale of Second Series Refunding Bonds, Issues 3 & 4

No. 93-0002
No. 93-0003

Resolutions awarding sale of bonds and
establishing terms and interest rates
of the Second Series Refunding Bonds.

Ms. Gittens said that the resolution before the Commission awards
Issue 3 refinancing Series E to Goldman Sachs at a true interest cost
of 6.2043 percent. Issue 4 refinances Series B and awards to Lehman
Brothers at a true interest cost of 6.07041.

* * *

G. NEW BUSINES:

There was no discussion by the Commission.

* * *

H. CORRESPONDENCE:

There was no discussion by the Commission.

* * *

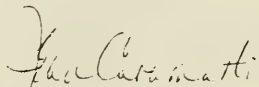
I. CLOSED SESSION:

The Airports Commission will go into closed session in accordance with
Government Code Section 54956.9(a) to discuss the following pending
litigation: (1) Millbrae, Brisbane et al v. Airports Commission; and, (2)
Sierra Point Associates Two, The Koll Company v. C&CofSF.

* * *

J. ADJOURNMENT:

There being no further calendared business before the Commission the
meeting adjourned 12:15 PM.


Jean Caramatti
Commission Secretary

**Airports
Commission**

City and County
of San Francisco

Frank M. Jordan
Mayor

Patrick A. Murphy
President

J. Stanley Mattison
Vice President

L. Andrew Jeanpierre

James K. Ho

Mane K. Brooks

Louis A. Turpen
Director of Airports



San Francisco International Airport

GATEWAY TO THE PACIFIC

January 4, 1993

Mr. Christopher Albert
Project Manager
Willie Electric Co.
425 Jackson Street
Oakland, CA 94607

Dear Mr. Albert:

I write in regard to your December 30 letter protesting the award of Airport Contract No. 1950.

Your letter cites two reasons as why the low three bids for this contract should be rejected. First, is that "their bid documents were not in order according to project specifications". Since you provide no specifics as to how the bid documents of the three low bidders do not meet the specifications, I have no way of knowing what it is that you object to. Secondly, you state the MBE goals for this project were not met. As I have written to you in the past, the Airport has no responsibility for this area. Airport staff do not review, evaluate or approve contractor's efforts toward reaching HRC goals; this responsibility is solely HRC's. HRC staff have in fact rejected the low bidder, Edward Scott Electrical Co., for being non-responsive. They have however, approved the second low bidder, Thunder Electric, as being eligible for award. Protests regarding HRC matters should be directed to the HRC Director, Edwin Lee.

Since to the best of our knowledge Thunder Electric's bid documents were in order, the award of this contract will be before the Airports Commission at its January 5 meeting, 11:30 a.m., City Hall, Room 282.

Should you have any questions, please feel free to call Ernie Eavis at 737-7747.

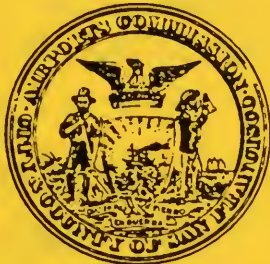
Sincerely yours,

DENNIS P. BOUEY
DEPUTY DIRECTOR

cc: Pansy Waller

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SAN FRANCISCO AIRPORTS COMMISSION



11/

MINUTES

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Director Of Airports

SAN FRANCISCO INTERNATIONAL AIRPORT
SAN FRANCISCO, CALIFORNIA 94128

Index
of the Minutes
Airports Commission

January 19, 1993

<u>CALENDAR SECTION</u>	<u>AGENDA ITEM</u>	<u>TITLE</u>	<u>RESOLUTION NUMBER</u>	<u>PAGE</u>
A.		CALL TO ORDER:		3
B.		ROLL CALL:		3
C.		ADOPTION OF MINUTES:		
		Regular meeting of December 15, 1992	93-0011	3
D.		ITEMS INITIATED BY COMMISSIONERS:		3
E.		ITEMS RELATING TO ADMINISTRATION, OPERATIONS & MAINTENANCE:		
	1.	Authorization to Issue RFPs for Two Door-to-Door Van Service Agreements	93-0012	4-7
	2.	Request for Proposal to Contract for Center Island Skycap Service	93-0013	7-8
	3.	Award Contract 1950 - Lighting & Electrical Service - North Access Road & Vicinity	93-0014	8-11
F.		CONSENT CALENDAR OF ROUTINE ADMINISTRATIVE MATTERS:		
	4.	Supplemental Appropriation of Refunding Bond Proceeds: Supplemental Appropriation of Issues 3 & 4 Bond Funds	93-0015	
		Supplemental Reappropriation of Bond Funds & Capital Project Funds	93-0016	12
	5.	Acquisition of Caltrans Parcel No. FLA-04-SM-101-6	93-0017	12

6.	Authorization to Receive Bids - Foreign Currency Exchange Lease 93-0018	12
7.	Declaration of Emergency - Contract 3203A - International Terminal Emergency Roof Repairs 93-0019	12
8.	Travel/Training for FY 1992-93 93-0020	13
G.	PUBLIC HEARING:	
9.	Increase in Aircraft Storage Fees	13
H.	NEW BUSINESS:	13-14
I.	CORRESPONDENCE:	14
J.	CLOSED SESSION:	
	Pending Litigation: Millbrae, Brisbane v Airports Commission; Sierra Point Associates Two, The Koll Co. v C&CofSF; Personnel Matters	15
K.	ADJOURNMENT:	15

Minutes
of the
Airports Commission Meeting

January 19, 1993

A. CALL TO ORDER:

The regular meeting of the Airports Commission was called to order at 9:00 A.M. in Room 282, City Hall, San Francisco, Ca.

* * *

B. ROLL CALL:

Present: Patrick A. Murphy, President
J. Stanley Mattison, Vice President
Marie K. Brooks

Absent: L. Andrew Jeanpierre
James K. Ho

* * *

C. ADOPTION OF MINUTES:

The minutes of the regular meeting of December 15, 1992 were adopted by order of the Commission President.

No. 93-0011

* * *

D. ITEMS INITIATED BY COMMISSIONERS:

There were no items initiated by Commissioners.

* * *

E. ITEMS RELATING TO ADMINISTRATION, OPERATIONS & MAINTENANCE:

Item nos. 1 through 3 were adopted unanimously.

1. Authorization to Issue Request for Proposals for Two Door-to-Door Van Service Agreements

No. 93-0012

Mr. Rick Pohl, Quake City Shuttle, submitted a letter to the Commission and asked if he could read it aloud.

Commissioner Murphy asked him to summarize the letter and reminded Mr. Pohl of the Commission's three-minute rule.

Mr. Pohl summarized his letter (see attachment) and said that he has not had enough time to address the proposal. He realized that part of it had been out for a month but he did not receive the final draft until Friday.

Commissioner Murphy asked when the proposal went out.

Mr. Turpen said that it went out on Friday.

Commissioner Murphy asked when it originally went out.

Mr. Sheldon Fein, Landside Operations said that it went out at the end of October or the beginning of November.

Commissioner Murphy said that he is always amazed at people who claim that they have not had enough time and then hand him a five page letter that he has never seen before and is supposed assimilate in approximately 30 seconds.

Mr. Pohl agreed that that was a problem and that is why he wanted to read the letter. He felt that the Commission was prepared to adopt the proposal as it is today.

Commissioner Murphy said that shuttle companies have complained about being relegated to the upper level and now Mr. Pohl was complaining that he is going to be on the lower level.

Mr. Pohl said that he was suggesting that it is inconvenient to be on the upper level.

Commissioner Murphy told Mr. Pohl that his letter states that it is inconvenient being on the lower level.

Mr. Pohl argued that the rules will be different on the lower level. They will not be allowed to pick up passengers on the lower level.

Mr. Fein explained that the package was originally sent to door-to-door van companies the end of October and a meeting was held in November. Many of the documents that Mr. Pohl had requested were either PUC reports or other reports that the Airport may have had or MTC had put out. The van operators were told where they could obtain the reports at the meeting.

Mr. Fein said that the packages included copies of all those reports. In addition, the packages included three pages of comments made by the van operators. While there were some changes in the documents
Minutes, January 19, 1993, Page 4

such as not charging for staging area and several others, the document they received this week is not radically different so major changes did not have to be assimilated. The original document was discussed page by page at the November meeting.

Commissioner Murphy said that Mr. Pohl's letter states that this is a radical change in the status quo.

Mr. Fein said that at the present time, because of the limited space, no new operators have been allowed on the upper level roadway. They are required to operate only on a pre-arranged basis on the lower level. All the existing operators on the upper level have been limited to the number of vans that they have because not only are the zones full but the staging area for 40 vans is often full and overflows into the employee parking lots. Many of the companies, including Mr. Pohl's, have appealed to the Commission in the last several months for additional vehicles but the staging area will not accommodate them. The way to handle this is to allow them all to operate on the lower level on a pre-arranged basis. This will allow vans to pick up and drop off scheduled passengers at any point in time. It is not dependent on a rotation system.

Mr. Fein said that many of the operators like the concept of being able to serve their passengers without having to wait for rotation and risk their passengers being solicited by other van operators.

Mr. Fein explained that the van companies who will operate upstairs will be able to handle walk-up business. The other operators who either did not wish to bid or were unsuccessful will be able to serve their passengers on a pre-arranged basis from the lower level. This is the area van operators had been requesting for a long time.

Commissioner Mattison asked Mr. Fein if he was aware if prospective bidders were forming joint ventures.

Mr. Fein responded that there was a lot of interaction between van operators at the pre bid meeting. It was his understanding that even larger companies have met with several smaller companies to set up consortiums to bid. While he had no definite information, he believed that each zone would be put together by a consortium of companies.

Commissioner Mattison asked if we were encouraging that to happen.

Mr. Fein responded that he did not believe that any company had PUC authority to operate in all five counties so consortiums would have to be put together. He did not know how many groups of companies would be in each consortium.

Commissioner Mattison said that he did not have a problem with moving forward. This has been discussed for six months. Each time we discuss vans we revisit staff's analysis and recommendation so he rejects the notion that these things are dropped from the sky.

Mr. Pohl's letter challenged the structure and solution rather than fine tuning the methodology. We are past that hurdle. The approach has been decided and we are not dealing with the methodology.

Commissioner Brooks said that page 3 of the specs states, "Retain current specs. The fleet is not limited." She asked if that was a typo or was she misunderstanding what the word "fleet" means.

Mr. Fein responded that one of the van companies requested that we list the specific number of vans they could have in their fleet. Staff's response was that the companies are far more knowledgeable as to their peak demands. We will not tell them that they need 120, 130 or 140 vehicles. Our requirement is that they meet the headways established by the Airport.

Commissioner Murphy asked what the operating rights of unsuccessful bidders will be.

Mr. Fein responded that they will receive a permit to operate out of the courtyard on the lower level. Their passengers will be dropped off at the location currently used on the upper level next to the terminal curb. He explained that when picking up passengers the vans will go into one of the courtyards on the lower level. They will have a way bill listing the names of the passengers to be picked and their flight numbers. They will be allowed to pick up any pre-arranged passengers. They will not be allowed to pull into the courtyard and solicit passengers for walk-up business.

Commissioner Murphy asked what they can do now.

Mr. Fein responded that they go into the staging area and wait their turn. They may be called to the curb once every 35-40 minutes, depending on the number of vehicles ahead of them.

Commissioner Murphy assumed that when they reach the curb they can take passengers as they walk up.

Mr. Fein responded that they can sit and wait until passengers want their vehicle or they take walk-up business. There is no headway requirement. Sometimes drivers wait at the curb for extended periods of time. Each zone has slightly different rules. Waiting times range from 8 - 10 minutes and there are no restrictions on the number of stops they can make.

Commissioner Mattison assumed that the intention of the new headway requirement is to have vans departing within specified intervals.

Mr. Fein said that specified minimums will be included so that people will not be sitting in vans waiting to depart. He said that solicitation is a problem and hopefully this will solve it.

Commissioner Mattison said that this essentially puts the boarding process in the hands of the winning bidders. Our control is to have

them comply with certain headway rules. In slack periods they can't sit around for 45 minutes and wait to fill a van.

Mr. Fein said that part of the RFP process will require companies to explain exactly how they will operate their headways with the number of slots. A good portion of the bid will be subject to operating and service criteria. Other criteria will include uniforms and the condition and service of vehicles.

Commissioner Mattison asked if the agreement will allow a reasonable amount of fine tuning of the operating rules and regulations based on experience or are we stuck with what we start with.

Mr. Fein responded that there will be a minimum level of service they will provide. Hopefully, as time goes on, the level of service will be higher than the minimum guaranteed. The RFP will provide the minimum level of service.

Commissioner Mattison wanted assurance that the Airport wouldn't get stuck in technical wording. He said that "headway" is defined as "15 minutes after the first passenger boards the vehicle." A driver can decide not to allow anyone to board the van until he has the number of people he wants. He doesn't want to get caught in such situations. He wants reasonable discretion in operational fine tuning.

Mr. Fein said that the 15 minutes will be interpreted as within the time someone walks to the zone.

2. Request for Proposal to Contract for Center Island Skycap Services

No. 93-0013

Resolution authorizing Airport staff to issue a Request-for-Proposal to contract for a skycap service on the center islands of the upper and lower level terminal roadway.

Mr. Turpen said that the trial program is currently under way. The program has been successful and has addressed some concerns. This item requests that the program be continued in a more formal way.

Commissioner Brooks asked if some airlines provide their own skycaps.

Mr. Turpen responded that some did. Typically, airline skycap service is provided curbside in front of each of the terminals, and to a lesser extent in the bag claim areas. Service to the center island was not common and for that reason some entrepreneurial types started their own center island service. This program responds to a need that was not being fulfilled by the air carrier personnel.

Commissioner Mattison asked if this is a big business.

Mr. Turpen responded that he did not know. It's a combination of skycap service, cart providing and retrieval. These people were operating outside the envelope of the Airport's control and authority. He wanted to establish accountability with respect to the way these people treat passengers.

3. Award of Contract No. 1950
Lighting and Electrical Service - North Access Road & Vicinity

No. 93-0014	Resolution awarding Contract 1950, Lighting and Electrical Service, North Access Road & Vicinity to Thunder Electric in the amount of \$259,700.00.
-------------	--

Mr. Dennis Bouey, Deputy Director for Facilities Operations and Maintenance reminded the Commission that this item was discussed at the previous meeting and sent back for review with regard to who would be eligible for award. It was his understanding that HRC, after further consultation with Scott Electric, found that they did not meet HRC requirements and would not be able to meet them within the rules. He said that Scott was notified by HRC several days after the last Commission meeting. HRC determined that Thunder Electric, a WBE, was eligible for award. Staff has found, after examination, that they are the lowest responsible bidder and he recommends that Thunder Electric be awarded the contract.

Mr. Ray Lynch, Scott Electric, disagreed with Mr. Bouey in that they have not been notified by anyone from HRC. It was his understanding from the last meeting that someone from HRC would be contacting his company. He called Pansy Waller 14 times, commencing the day after the meeting, but his phone calls were never returned. Ms. Waller finally called last Thursday morning, assuming that her letter had been received. The letter in question was dated January 11.

Mr. Lynch said that Ms. Waller's letter stated that Scott Electric did not meet the MBE, WBE goals. He said that Ms. Waller's MBE goal was .7% and the specs called for one tenth of one percent. He believed that that was the criteria Ms. Waller used for not meeting the MBE goals. Her letter further stated that if Scott Electric had any questions Mr. Ed Lee should be contacted at 737-2500. He said that that phone number is a shipping company receiving room at the Airport and is in no way related to HRC.

Mr. Lynch said that he finally received a call from Ed Lee at 4:55 PM on Friday evening. Mr. Lee apologized, explaining that Ms. Waller had been extremely tied up. Mr. Lynch said that he had no doubt that she was busy but he assumed that he would have received one phone call to discuss this issue.

Mr. Lynch said that it was Mr. Lee's impression that a bidder could not add anyone to a contract that was over half of one percent. He

believed Mr. Lee was wrong on this point. That has to do with a California contracting law that says a bidder cannot add someone to a contract if their amount is over half of one percent. That is to eliminate bid peddling.

Mr. Lynch said that he asked Mr. Lee if he could give him any legal basis for this opinion. He believes there is none. Mr. Lynch said that he has been to the Court of Appeals over this and there is one minor ruling in the State of Minnesota pertaining to minority practices and this case is nowhere near that. He said that all he could get from Mr. Lee was there was nothing he could do and suggested he attend the Commission meeting. That's where he was last time.

Mr. Lynch said that HRC was on two weeks vacation - prior to Christmas and between Christmas and New Years. He wanted to speak to someone of responsibility at HRC for two minutes who can tell him why his listed subcontractors, who are certified, cannot be added to the goals. That is what he asked for the last time and what he thought he would get. That's the purpose of the five day requirement. A bidder turns in his bid, the subs are listed and there are five days to complete the forms and turn them in. Due to HRC's inability to deal with this over the holidays he was told to be at the meeting two weeks ago. He is once again before the Commission and he has yet to meet with anyone. No one can quote him a reason why this cannot be done.

Mr. Lynch said that he has done millions of dollars of work for San Francisco over the years and he knows for a fact that this is done all the time. He said that when he bids as subs he must return the following day and document the full amount of his participation. It is always added to the bid. He always tries to obtain as much participation as he can within the bid amounts and that is exactly what he is trying to do here.

Mr. Lynch said that he feels no ill will towards Thunder Electric and would accept award of the contract to them. However, he believes that there is a fundamental problem in that HRC is creating a bigger issue. They are wontonly deciding who needs and who doesn't and they aren't quoting anything. HRC cannot give one reference.

Commissioner Mattison asked if there was some discussion that Scott Electric had not met the five day window.

Mr. Lynch said that he mentioned it to Ms. Waller at the last meeting. He said that because no one at HRC was taking any calls he finally reached someone who gave him a five day extension. He asked Ms. Waller about that at the last meeting and she responded that only she was authorized to give the extension. Mr. Lynch reminded Ms. Waller that she was on vacation. Ms. Waller had no response.

Mr. Lynch said that according to HRC and the Airport, the one tenth of one percent WBE was a misprint in the specs. One tenth of one percent is negligible. Subs with five times that amount aren't even listed on the bid form. Only HRC knows what it should have been.

However, Ms. Waller, in her letter, said that he needed to obtain .7 percent, but that's not what the bid specs stipulated.

Mr. Lynch said that unless the Airport absolutely needs this lighting immediately to postpone this meeting. Without the Commission's help, he will not receive any approval or satisfaction from HRC. He said that all he wants is some legal basis for what HRC is doing.

Mr. Bouey said that he has a lot of empathy for Mr. Lynch and Scott Electric. The Airport does not involve itself in matters regarding HRC. Unfortunately, the Airport really extended itself in not awarding this contract at the last meeting. This will be the sight for temporary parking so construction can begin opposite the MOC. As the Airport has an end of March completion date it is not possible to put the item over another two weeks. He was very sorry and apologized to Mr. Lynch on behalf of the Airport.

Ms. Pansy Waller, HRC Contract Compliance Officer, explained that a pre-bid conference was held on December 15, 1992 at which she explained HRC's requirements. At that time, she explained what the contract goals were and she very carefully covered HRC requirements as they pertain to construction contracts which are included in the specs. They are the highlighted pink section. They were applied and incorporated as part of the terms and conditions of this contract.

Ms. Waller explained that the City has a new subcontracting program which requires that firms be local, meaning San Francisco-based. Scott Electric did not meet the 8 percent MBE goal. They achieved 3.3 percent. They listed registered firms for \$11,000 or 4.6 percent, which she could not count. Scott Electric had indicated 0 percent for WBE and failed that goal in either registered or certified.

Ms. Waller said that the December 15 pre-bid was a mandatory meeting so Scott Electric had to be there. The requirement that they be local firms, meaning San Francisco-based, were carefully spelled out.

Ms. Waller said that prior to going on vacation she prepared a memo indicating that December 18 was her last day and that Dick Norton would oversee her work for three days. After that time, Mary Jane Starkweather would cover her desk. She claimed it was clearly stated in her voice mail who would be responsible for covering her desk in her absence. Somehow this communication did not reach Scott Electric.

Mr. Waller said that Dick Norton had attended the bid opening. When she returned January 4 she went over the bids with Mr. Norton. The first thing she did upon her return was to request copies from the project manager. She went over the analysis with Dick Norton. It had been determined that Scott Electric was a local business and entitled to the 5 percent preference. She then needed to determine if the subcontracting goals had been met. They had not. In the normal course of reviewing and analyzing any low bid HRC looks to see if the subcontracting goals had been met. If those goals have not been met, HRC then looks at the next bidder.

Ms. Waller said that Thunder Electric, a certified local woman-owned business, was the second bidder. Thunder Electric had met the goals.

Ms. Waller said that she had no idea why this contract had been calendared. She said that these items are usually not calendared until HRC gives its approval.

Ms. Waller said that she completed her recommendation on January 4 and that recommendation stands. She reaffirmed her reasons and wrote another memo to Mr. Bouey on January 11 indicating that Scott Electric was non-responsive and Thunder Electric had met the goals.

Ms. Waller apologized for the typographical error that appeared in her January 11 letter incorrectly listing her telephone number. She said that she somehow combined both her HRC and Airport numbers. The correct number is listed at the bottom of HRCs stationery.

Commissioner Murphy said that the Commission does not have much choice but to go ahead with this item.

Commissioner Mattison assumed that administratively it should not have been calendared in the first place.

Mr. Turpen responded that the Airport would still be working on the old International Terminal if we waited for the process to catch up with us. We have set some very definitive time lines. We have some very serious penalties for delay and hopefully, those agencies of the City that are in staff support roles would try their very best to meet our timelines. We typically set the dates and ask that people either respond to that time schedule or let us know early on that it's not possible.

Commissioner Mattison said that action was taken on this bid in ignorance of the fact that they were really not a qualified bidder.

Mr. Turpen said that is not true.

Mr. Bouey said that at the last meeting Scott Electric was considered non-responsive and Thunder Electric was before the Commission.

Mr. Bouey said that there was a bit of confusion and miscommunication because Pansy Waller was on vacation. The Project Manager had been given a verbal okay and the item was placed on calendar according to our timeline. A letter is then received, sometimes the day before a Commission meeting. This typically happens, even with Ms. Waller.

Commissioner Mattison said that we are not dealing with the controversy over the five day issue, but with the issue that Scott Electric was non-responsive.

Commissioner Murphy noted that Scott and HRC may or may not have a dispute, but under the circumstances, the Commission must go with HRC.

F. CONSENT CALENDAR OF ROUTINE ADMINISTRATIVE MATTERS:

Item nos. 4 through 8 were adopted unanimously.

4. Supplemental Appropriation of Refunding Bond Proceeds

No. 93-0015 Supplemental appropriation of proceeds of Issue 3 and 4, and related funds.

5. Acquisition of Caltrans Parcel No. FLA-04-SM-101-6

No. 93-0016 Resolution approving acquisition of Caltrans Parcel No. FLA-04-SM-101-6 as a temporary employee parking lot and authorizing, on behalf of the Airport, execution of the five year lease by the Director of Property for the City and County of San Francisco.

6. Authorization to Receive Bids
Foreign Currency Exchange Lease

No. 93-0017 Resolution approving leasehold specifications and authorizing staff to receive bids for the Foreign Currency Exchange Lease.

Ms. Cleota Brown, Thomas Cook Currency Service, said that her company is the present concessionaire. They believe that the minimum annual guarantee could potentially place the winning bidder at an operating loss.

Ms. Gittens said that the market will tell us if that is the wrong move.

7. Declaration of Emergency - Contract No. 3203A
International Terminal Emergency Roof Repairs

No. 93-0018 Resolution ratifying Declaration of Emergency by the President of the Commission on January 5, 1993, and authorizing the necessary immediate repair of damaged Terminal roof and facilities.

8. Travel/Training for Fiscal Year 1992-93

No. 93-0019

* * *

G. PUBLIC HEARING:

The public hearing was convened at 9:43 AM and closed at 9:44 AM, there being no requests from the public to speak.

9. Increase in Aircraft Storage Fees

* * *

H. NEW BUSINESS:

Commissioner Murphy asked Mr. Reuben Davis if he wished to address the Commission. He told Mr. Davis that the Commission has taken action on this and asked Mr. Davis not to belabor the Commission.

Mr. Davis told the Commission that they have been grossly misled by the false information provided by Mr. Turpen and Mara Rosales. He said that the State of California does not condone the soliciting of money at the Airport. SFO is the only Airport in the world that issues licenses and free facilities in prime positions for beggars to harrass and solicit passengers and all persons using the Airport for legitimate busines.

Commissioner Murphy said that we have been through this issue. The Commission has decided on a course of action. He told Mr. Davis that he has been allowed to address the Commission on this issue on many occasions. Commissioner Murphy said that he is reasonably well advised on this issue and told Mr. Davis that reasonable people disgree with him. He does not enjoy hearing implications that staff is dishonest and the Commission is being misled. He disagrees. He told Mr. Davis that if he had anything to say that is new he should say it and say it quickly.

Mr. Davis said that there has never been any court action or hearing in any California Judicial Court, by the Airport Authorities or by any solicitors to use the Airport as a forum to interfere with passengers. He said that Mr. Turpen no longer wishes to discuss this matter with him. He said that Mr. Turpen informed him that he was the only person responsible for rounding up the beggars and panhandlers and allowing them to operate from a booth. He said that Mr. Turpen did not respond when asked if he would make the same concessions to pickpockets, thieves and terrorits.

Commissioner Murphy told Mr. Davis that he was abusing his privileges. He asked Mr. Davis if he had anything new to say.

Mr. Davis said that he was before the Commission legally and the Commission had a legal obligation to answer his questions.

Commissioner Murphy said that he did not have a legal obligation to answer his questions. He has a legal obligation to hear what he had to say. The Commission has a three-minute rule and he has used up two of them.

Mr. Davis noted that this seems to be a very sore point with Commissioner Murphy. He said that Mr. Turpen asked him if he thought that fraud was involved. He responded that he thought Mr. Turpen was "the most devious and unethical man he ever met and was as straight as a corkscrew."

Mr. Davis congratulated the Commission for making San Francisco Airport the only airport in the world where beggars, con men, panhandlers and all solicitors can have licenses and free facilities to carry on their nefarious activities. He said that Commissioner Murphy admitted that he has seen people being harrassed.

Commissioner Mattison told Mr. Davis that he should pay attention to the action the Commission has specifically taken on this issue and deal with that and refrain from continuing personal insults and a dishonest approach to this Commission. He suggested that Mr. Davis deal with a timeframe that is realistic.

Mr. Davis said that he has been harrassed every time he has tried to see Mr. Turpen.

Commissioner Murphy asked Mr. Davis if he had anything else to say. The Commission has already taken action and it will see how it works.

Mr. Davis asked what action has been taken. The Airport is going to put up an addressograph informing passengers that the Airport does not condone the action of the occupants of the booths. Yet, on the other hand, the Airport issues licenses which does condone those actions.

Mr. Davis said that it looks as though he will have to take court action himself. He said that he is 75 years old and he can get any case heard in any court in California within six months as a special concession.

Mr. Davis said that he will charge Mr. Turpen with harrassing him and his relatives.

Commissioner Murphy told Mr. Davis that no one has harrassed him.

Mr. Davis said that he was ashamed of the Commission.

* *

I. CORRESPONDENCE:

There was no discussion by the Commission.

* * *

J. CLOSED SESSION:

The Airports Commission will go into closed session in accordance with Government Code Section 54956.9(a) to discuss the following pending litigation: 1) Millbrae, Brisbane, et al v. Airports Commission; 2) Sierra Point Associates Two, The Koll Company v. C&CofSF; and Government Code Section 54957 to discuss personnel matters.

* * *

K. ADJOURNMENT:

There being no further calendared business before the Commission the meeting adjourned at 9:50 AM.


Jean Caramatti
Commission Secretary

QUAKE CITY SHUTTLE

*33 HARRIET ST. # 1
SAN FRANCISCO, CA 94103
(415) 255-4899*

Jan. 18, 1993

Members, San Francisco Airports Commission
San Francisco International Airport
PO Box 8097
San Francisco, CA 94128

Honorable Commissioners:

At the Pre-Proposal Conference held on Nov. 18, 1992, certain information was requested from SFO by industry participants, and staff agreed to send out that information to all those in attendance. Much of that information has only been sent out in the last five days, and I would suggest that you extend the time allowed for comments for that reason alone. Also, on Nov. 18th, two previously unreleased documents were handed out, one entitled "Door-to-Door Shuttle Van Operating Agreement At San Francisco International Airport." This was a 25 page legal document for which we were given six working days to respond with our concerns. Considering normal time frames to respond in legal situations to such a complicated and potentially devastating plan, this seems highly unfair and somewhat suspect. It might seem that Staff does not really want us to respond in any meaningful way to this complex plan.

In the last week, we have been presented with a 42 page "1992 Air Passenger Survey", as well as the 16 page response from Staff and the revised Van Service Agreement, and other documents. One such document is three pages selected from a November 1992 report by the California PUC entitled The California Airport Shuttle Van Industry. The selective use of a one page table showing "Service Problems" does a disservice to the 170 page report. Staff might as easily have chosen the page showing that 82.3% of respondents rated the van services at SFO "Good" or "Excellent" and only 3.3% rated service as "Unacceptable". I firmly believe that the Airports Commission has a responsibility to the industry and to the Public to read this comprehensive study by the PUC before approving the resolution before it today.

A number of items in or relating to this proposal concern me. All of these concerns were expressed to Staff in my written comments following the Pre-Bid Conference. Virtually none of these issues have been addressed in the final draft, which was delivered during the day last Friday, allowing interested parties less than one normal business day (excluding the 3 day holiday weekend), to review and take a position on the draft before it is to be presented to the Commission today. Staff responses are almost entirely concerning minor technical changes in the proposal, but nowhere are the underlying assumptions and dubious claims that are being used to justify the entire process addressed.

First: *Where is the study* that staff has implied *justifies* this radical change in the status quo? A number of unsupported premises are contained in the resolution before the Airports Commission in this regard, among them:

1. That there is a *need* to enter into *two* limited agreements, instead of one or three. What justification exists for this odd premise of the plan?

2. That there is an actual need to *"avoid unnecessary duplication of door-to-door van services at the Airport...."*

3. That there is such a thing as *"a need to avoid destructive competition"* in the shuttle industry.

4. That the proposal will have any effect on *"the allocation of curb space among the numerous ground transportation services"* other than to reallocate the space more to the Director's liking. The plan is to allow all the unsuccessful companies to operate on the lower level where the Airport has admitted there is even less space, more congestion, and certainly a far more effective and surreptitious solicitation problem.

5. That these agreements will, or can even reasonably be expected to do what they claim to be intended to do, that is: *"serve to promote public safety, public convenience, quality of service and efficient use of scarce Airport curb space, and which will further serve to decrease incidents of solicitation and destructive competition in the industry"*

It would seem that such an important issue would require industry input from the inception, not after the whole program is devised. What about public hearings? Where is the evidence that the proposal addresses the public need?

Second: What is the environmental impact of the proposal? I hereby request that a full Environmental Impact Report be conducted prior to proceeding any further on this plan.

Third: The proposal itself contains a number of items that may not be legally defensible, by the Airport itself or by the "successful" bidders. Does the Airport intend to indemnify the "successful" bidders from legal action which will almost surely result from the ensuing bankruptcies of numerous previously successful small businesses? Will litigation cause the bankruptcy of successful bidders who have mortgaged themselves to provide the required bonds? *Does the Commission actually believe that this is not going to result in litigation?*

Fourth: Has any consideration or study been made of the feasibility of combining all the companies into one zone with coordinators? The early system of several years ago did not have curb coordination, thus is not a fair representation of what might be organized. How can the proposed system be compared to the prior monopoly that Yellow Cab had at the Airport, with the resulting litigation being settled by setting up one cab line for all companies. Why has this type of system been dismissed with no study of its feasibility or desirability?

Fifth: The agreement requires any small company entering into a joint agreement or consortium to cede authority to the consortium and its representatives, thus altering the structure of the independent companies and their relationship with their employees. It was stated by the Airport at the Pre-Bid Conference that the City Charter requires the City to encourage small business. I find the proposal to be of dubious merit in this regard. The idea that companies sharing a zone would have to have their prices the same for the same area sounds suspiciously like what is prohibited by Anti-trust laws. Speaking of price, *what study has the Airport done to show the effect on prices that this proposal will undoubtedly have?*

Sixth: The Agreement specifies that the Operators, at their expense, provide curb coordinators, among whose duties are to *"enforce terms and conditions of the operating agreement as necessary and enforce compliance with all Airport Rules and Regulations."* It would seem that the Airport is thus assigning Police powers to the Operators, which would hardly be expected to result in the successful enforcement of the rules and regulations. Isn't this the exact system that we now have in place that has proven to be so unworkable?

The proposed Agreement contains a list of Violations and fines but absolutely no reference to hearings, who rules on these matters, how such decisions are appealed, etc. Apparently one party to the Agreement will sit as Prosecutor, Judge, Jury, and Court of Appeals in any administrative matter.

Seventh: What is the justification for locating the proposed zones on the upper level instead of the lower level? Why not relocate the charter pickups to the parking garage or the scheduled transit to the upper level? Has any serious consideration been given to these or other alternatives, and are there any studies of this issue?

Eighth: Claims are made in these documents and verbally at the conference that staff believes that the same service level could be maintained by something like 50% fewer vans. While far fewer vans might be able to handle the business during slow periods, during peak periods nearly all the available vans are operating. If the fleets are cut back, will the service be satisfactory during peak periods? We have all seen how long the lines are at the blue zone during peak periods. Sure the claim is made that there will be no more than three stops, but what of the twenty minute to half hour wait at the curb during peak periods? How will service suffer under a virtual monopoly?

Ninth: The tentative schedule specifies only 30 days between mail out of the Request for Proposals and the response date. Given the complexity of the negotiations that any Consortium of companies would have to enter into, this would seem to be far too little time to respond to the requirements that may appear in the Final Draft. Such short periods favor large companies who can hire experts and lawyers or assign substantial resources to this task. Given the fact that every deadline that Staff has set for themselves has increased by between one to six months, might this not indicate that more reasonable time periods be allowed for industry response?

Tenth: While the proposal specifies "two" agreements, there can be little doubt that the largest currently operating company is likely to win one of the two positions. If that is the case, ~~all~~ the other companies are effectively competing for the other winning bid. Is this really a desirable outcome for the public? Who is speaking for the public on this issue? Is the Airport giving the public any meaningful notice or input on this?

I had hoped that some of these questions would have been addressed in the final draft. I would have hoped that there would be more hearings or workshops before the final draft was presented to the Commission. Given that the Director's letter of March 29, 1992 specified that the proposal would be presented in sixty days, and the process took eight months, I feel that the proposed schedule is unrealistic, especially as it sets deadlines such as eight days for written responses. Is this meant to be a cooperative process or not?

I offer my comments in the spirit of cooperation, therefore I have been rather blunt in my suggestions, but please don't take them personally. I sincerely feel that if this proposal is to result in the improvements in service that you envision, that you should proceed cautiously and with an open mind. Remember, while we have been on the other end of the rope in this long tug-of-war we have learned a lot ourselves. That we have been unable to succeed in controlling the situation at the curbs is clearly not our fault alone. As you are well aware, good intentions are often thwarted on our side too, by many of the same characters that have made your job such a struggle. There is an obvious need for change in the way the industry operates at the Airport, but *why is this plan being touted as the only solution being considered?* I fear that your proposal will leave little room to maneuver by such a small fry as myself, no matter how hard I work at making my business a success. You may know that our tiny company probably has *the most loyal* clientele in the industry next to the giant SuperShuttle. Why not offer some of us a meaningful role in brainstorming about some possible solutions other than the winner-take-all sweepstakes that you are currently planning?

I would appreciate a response to the issues I have raised.

Thank you.



Sincerely,

A handwritten signature in cursive script, appearing to read "Rick Pohl".

Rick Pohl

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93

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FEBRUARY 2, 1993

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LOUIS A. TURPEN

Director Of Airports

SAN FRANCISCO INTERNATIONAL AIRPORT
SAN FRANCISCO, CALIFORNIA 94128

Index
of the Minutes
Airports Commission

February 2, 1993

<u>CALENDAR SECTION</u>	<u>AGENDA ITEM</u>	<u>TITLE</u>	<u>RESOLUTION NUMBER</u>	<u>PAGE</u>
A.		CALL TO ORDER:		3
B.		ROLL CALL:		3
C.		ADOPTION OF MINUTES:		
		Regular meeting of January 5, 1993	93-0021	3
D.		SPECIAL ITEM:		
	1.	Commendation for Joseph Vescera	93-0022	3-4
E.		ITEMS INITIATED BY COMMISSIONERS:		4
F.		ITEMS RELATING TO ADMINISTRATION, OPERATIONS & MAINTENANCE:		
	2.	AMPCO Parking Agreement - Exercise Option	93-0023	4
	3.	Taxi fee Increase	93-0024	5
G.		CONSENT CALENDAR OF ROUTINE ADMINISTRATIVE MATTERS:		
	4.	Aircraft Storage Fee Increase	93-0025	5
	5.	Award Contract 3161R - Interna'l Terminal Upper Level Road Leak Repairs	93-0026	5-6
	6.	Award Contract 3144 - FIS - New Locker Room & Restrooms - Interna'l Terminal	93-0027	6
	7.	Substitution of Subcontractor - Contract 3094 - Interna'l Terminal First Floor Smoking Area	93-0028	6

8.	Travel/Training for FY1992-93	93-0029	6
9.	Resolution Ratifying Personnel Actions	93-0030	6
H.	PUBLIC HEARING:		
10.	Hearing on Proposed FY1993-94 Budget		6
I.	NEW BUSINESS:		7
J.	CORRESPONDENCE:		7
K.	CLOSED SESSION:		
	Pending Lit. - Secretary of Transportation; Potential Lit.: Personnel Matters		7
L.	ADJOURNMENT:		7

Minutes
of the
Airports Commission Meeting

February 2, 1993

A. CALL TO ORDER:

The regular meeting of the Airports Commission was called to order at 9:03 A.M. in Room 282, City Hall, San Francisco, Ca.

* * *

B. ROLL CALL:

Present: J. Stanley Mattison, Vice President
L. Andrew Jeanpierre
Marie K. Brooks

Absent: Patrick A. Murphy, President
James K. Ho

* * *

C. ADOPTION OF MINUTES:

The minutes of the regular meeting of January 5, 1993 were adopted by order of the Commission Vice President.

No. 93-0021

* * *

D. SPECIAL ITEM:

Item no. 1 was adopted unanimously.

1. Commendation for Mr. Joseph Vescera

No. 93-0022 Commendation for Airport Garage
Cashier Joseph Vescera for assisting
apprehension of four robbery suspects.

Ms. Angela Gittens, Deputy Director for Business and Finance explained that there had previously been an armed robbery in the garage and a very alert AMPCO employee noticed a vehicle and occupants fitting the

description. He immediately notified police. The police gave chase and captured the suspects.

Commissioner Mattison thanked Mr. Vescera on behalf of the Commission and congratulated him on his diligence and attentiveness in keeping the best interest of the Airport at heart.

Mr. Vescera thanked the Commission. He said that he wanted to keep the Airport a safe place not only for passengers but for the employees. He credited Mr. Bob Hagar of AMPCO parking for inspiring him to care about his job and the Airport.

Ms. Gittens said that the Airport will prepare a suitable resolution. She said that it was her understanding that AMPCO has found another way to reward him, for which she offered her congratulations.

* * *

E. ITEMS INITIATED BY COMMISSIONERS:

There were no items initiated by Commissioners.

* * *

F. ITEMS RELATING TO ADMINISTRATION, OPERATIONS & MAINTENANCE:

Item nos. 2 and 3 were adopted unanimously.

2. AMPCO Parking Agreement - Exercise Option

No. 93-0023

Resolution exercising second option of AMPCO's Operating Agreement for Public Automobile Parking Facilities.

Ms. Shelley Kessler, Airport Labor Coalition, thanked Duke Briscoe and Sheldon Fein of the Airport in helping to bring the parties together and come to settlement on the AMPCO contract with janitors. She said that Mr. Briscoe and Mr. Fein are well deserving of pats on the back.

Commissioner Jeanpierre thanked Mr. Fein.

Ms. Gittens said that in addition to helping keep the garage safe, AMPCO has done an excellent job of managing the garage and controlling the funds. The garage continues to be a successful operation. She recommended exercising the option.

Commissioner Mattison asked if this was the first of four, one-year options.

Ms. Gittens responded that it is the second of four.

3. Taxi Fee Increase

No. 93-0024

Resolution establishing taxi access fees as shown below:

<u>Taxi Fee Per Trip</u>	<u>Effective Date</u>
\$2.00	March 1, 1993
\$2.25	July 1, 1994
\$2.50	July 1, 1995

Mr. Richard Koury, United Taxi Workers, said that they don't have any objections to the increase. They feel that Landside has been very cooperative in discussing the financial matters with them. They hope that the dialogue can continue. He also suggested considering the possibility of selling discount books, similar to the Golden Gate Transit program at the bridge, for the Airport's bulk users. He said that he goes through three or four times a night, five times a week.

Ms. Shelley Kessler, Airport Labor Coalition, said that she was very pleased that staff took the time to work this out with the concerned parties. She said it was very important to the labor community that staff was willing to do this and was pleased that the Commission was willing to go along. She thanked Sheldon Fein again for his efforts. She hoped that this type of relationship can continue.

Commissioner Mattison noted that there had been a number of speakers last time and said that the Airport obviously paid close attention. He said he was pleased that it had gone well.

Ms. Gittens said that Mr. Fein and Mr. Martin of the Airport worked long and hard with the taxi drivers, who were very cooperative. Both sides understood the others objectives and a reasonable compromise was able to be reached.

* * *

G. CONSENT CALENDAR OF ROUTINE ADMINISTRATIVE MATTERS:

Item nos. 4 through 9 were adopted unanimously.

4. Aircraft Storage Fee Increase

No. 93-0025

Resolution increasing aircraft storage rates for general aviation and commercial aircraft.

5. Award of Contract No. 3161R
International Terminal Upper Level Road Leak Repairs

No. 93-0026

Resolution awarding Contract 3161R to Ghilotti Bros., Inc. in the amount of \$198,322.00.

6. Award of Contract No. 3145
Federal Immigration Services New Locker Room and Restrooms -
International Terminal

No. 93-0027

Resolution awarding Contract No. 3145 to Chiang C. M. Construction, Inc. in the amount of \$173,000.00.

7. Substitution of Subcontractor - Contract No. 3094
International Terminal First Floor Smoking Area

No. 93-0028

Resolution authorizing the substitution of subcontractor J.E. Pacheca Electric with Sun Electric System for Contract No. 3094.

8. Travel/Training for FY 1992-93

No. 93-0029

9. Resolution Ratifying Personnel Actions

No. 93-0039

Resolution, in accordance with the requirements of San Francisco City Charter Section 3.501, ratifying and approving certain personnel actions taken by the Director of Airports.

* * *

H. PUBLIC HEARING:

The public hearing was convened at 9:12 AM and adjourned at 9:13 AM, there being no requests from the public to speak.

10. Hearing on Proposed Fiscal Year 1993/94 Budget

Ms. Gittens said that this will return to the Commission for adoption at the next meeting.

* * *

I. NEW BUSINESS:

There was no discussion by the Commission.

* * *

J. CORRESPONDENCE:

There was no discussion by the Commission.

* * *

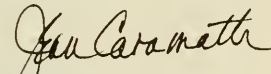
K. CLOSED SESSION:

The Airports Commission will go into closed session in accordance with Government Code Section 54956.9(a) to discuss pending litigation entitled C&CofSF v. Secretary of Transportation, 54956.9(b)(1) to discuss potential litigation, and 54957 to discuss personnel matters.

* * *

L. ADJOURNMENT:

There being no further calendared business before the Commission the meeting adjourned at 9:14 AM to go into closed session.


Jean Caramatti
Commission Secretary

57
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L. ANDREW JEANPIERRE

JAMES K. HO

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LOUIS A. TURPEN

Director Of Airports

SAN FRANCISCO INTERNATIONAL AIRPORT
SAN FRANCISCO, CALIFORNIA 94128

Index
of the Minutes
Airports Commission

February 16, 1993

<u>CALENDAR SECTION</u>	<u>AGENDA ITEM</u>	<u>TITLE</u>	<u>RESOLUTION NUMBER</u>	<u>PAGE</u>
A.		CALL TO ORDER:		3
B.		ROLL CALL:		3
C.		ADOPTION OF MINUTES:		
		Regular meetings of January 19, 1993 and February 2, 1993	93-0033	3
D.		ANNOUNCEMENT BY SECRETARY:		3
E.		ITEMS INITIATED BY COMMISSIONERS:		4
F.		PENDING LEGISLATION:		
	1.	Proposed Legislation on Congestion Management Plan		4
G.		ITEMS RELATING TO ADMINISTRATION, OPERATIONS & MAINTENANCE:		
	2.	Approval of Terrace Restaurant Sublease to Thigpen, Ltd.	93-0034	5
	3.	Agreement for Operator-Assisted Long Distance Service from Public Pay Telephones - Award	93-0035	5
	4.	Approval of FY 1993/94 Budget	93-0036	5-6
	5.	Award Contract 3183 - Environmental Clean-Up - PSC	93-0037	6-7
	6.	Reject All Bids - Contract 2349C - Conversion of Two Restrooms for Disabled - Engineering Bldg.	93-0038	7

7.	Authorize Rental Credit to Federal Express for Roof Repairs to Hangar C-01	93-0039	7-8
H.	CONSENT CALENDAR OF ROUTINE ADMINISTRATIVE MATTERS:		
8.	Approval of FAA Field Test	93-0040	8
9.	Declaration of Emergency - Contract 3230 - Emergency Transformer Repair LCT84, BA "F" HUB	93-0041	8
10.	Declaration of Emergency - Contract 3226 - Emergency Cable Replacement - Cable 12 BPBG-2	93-0042	8
11.	Southwest Airlines - Rental Credit for Repair of Boarding Bridge at Gate 33	93-0043	8
12.	Amendment to Resolution 92-0114	93-0044	9
13.	Travel/Training for FY 1992/93	93-0045	9
I.	NEW BUSINESS:		9
J.	CORRESPONDENCE:		9
K.	CLOSED SESSION:		
	Pending Litigation: Millbrae, Brisbane et al v Airports Commission; Sierra Point Associates Two, The Koll Co. v C&CoFSF		9
L.	ADJOURNMENT:		9

Minutes
of the
Airports Commission Meeting

February 16, 1993

A. CALL TO ORDER:

The regular meeting of the Airports Commission was called to order at 9:02 A.M. in Room 282, City Hall, San Francisco, Ca.

* * *

B. ROLL CALL:

Present:	Patrick A. Murphy, President
	J. Stanley Mattison, Vice President
	L. Andrew Jeanpierre
	Marie K. Brooks

Absent:	James K. Ho
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* * *

C. ADOPTION OF MINUTES:

The minutes of the regular meetings of January 19, 1993 and February 2, 1993 were adopted by order of the Commission President.

No. 93-0033

* * *

D. ANNOUNCEMENT BY SECRETARY:

In accordance with Section 54957.1 of the Brown Act, Jean Caramatti, Commission Secretary announced unanimous adoption of resolution no. 93-0031 approving appointment of Kathryn Pennypacker as a Deputy City Attorney to the Airport, and no. 93-0032 authorizing Director to proceed with unlawful detainer in the event that Northwest Airlines fails to cure defaults in Airport agreements at the closed session of February 2, 1993.

* * *

E. ITEMS INITIATED BY COMMISSIONERS:

There were no items initiated by Commissioners.

* * *

F. PENDING LEGISLATION:

1. Proposed Legislation on Congestion Management Plan - Oral Report

Mr. Lou Turpen, Airport Director, said that he received a copy of SB245 (Kopp) late last week. It is follow-on legislation to SB226. SB245 essentially deals with the Airport's involvement in San Mateo County's Congestion Management Plan. While analysis of the bill has not yet been completed, initial review indicates that the bill would seek to put an asset of the City and County of San Francisco under San Mateo County without consultation. That is particularly inappropriate since the Airports Commission has incorporated a commitment to meet all of the Congestion Management Program's goals as part of its legal responsibility under the Master Plan. The second part would obligate the Airport to seek San Mateo County's permission for its efforts in congestion management before it could go forward with the Master Plan. This is inappropriate as well. The Commission will have a detailed analysis at its next meeting.

Mr. Turpen said that as the bill has just been introduced it has not been assigned to Committee and cannot be heard for at least 30 days.

Commissioner Murphy assumed that this meant that before we could go ahead with the Master Plan we would have to reobtain the blessing of San Mateo County.

Mr. Turpen responded that although the Commission, through staff, had negotiated a congestion management plan through the MOU and approved overwhelmingly by CCAG, the preliminary answer would be yes, we would have to go back and seek their permission before we could move ahead with the Master Plan.

Commissioner Murphy asked if this could be a tie-in for litigation.

Mr. Turpen responded that if the desire is to mitigate traffic and if mitigating traffic means building housing close to an airport so people don't have to drive very far, clearly that could be something that someone might suggest as an effective mitigation.

Commissioner Murphy said that he was thinking more in terms of one of the litigants getting another bite at the apple.

* * *

G. ITEMS RELATING TO ADMINISTRATION, OPERATIONS & MAINTENANCE:

Commissioner Jeanpierre was recused from voting on Item No. 2. Item no. 2 was adopted unanimously.

2. Approval of the Terrace Restaurant Sublease to Thigpen, Ltd.

No. 93-0034 Resolution to approve Host Sublease of the Terrace Restaurant in the North Terminal to Thigpen, Ltd.

Mr. Turpen said that this is the first award in Phase 3 of the Host minority subleasing program. This item is fairly straight forward.

Commissioner Jeanpierre announced that he had a conflict of interest and asked to be recused from voting.

The vote to recuse Commissioner Jeanpierre was unanimous.

Item nos. 3 through 7 were adopted unanimously.

3. Agreement for Operator-Assisted Long Distance Service from Public Pay Telephones - Award of Agreement

No. 93-0035 Resolution awarding the Agreement for Operator-Assisted Long Distance Service from Public Pay Telephones to AT&T.

Mr. Turpen said that MCI and AT&T submitted proposals. Staff review indicated that MCI's proposal was non-responsive and recommended award to AT&T.

4. Approval of the Fiscal Year 1993/94 Budget

No. 93-0036 Resolution approving the proposed Fiscal Year 1993/94 Budget in the amount of \$213.9 million.

Mr. Turpen said that the budget was previously before the Commission as a public hearing. The budget this year represents a 4 percent increase over last year. Some of the special items are detailed in the memo. The budget has also been before Airline Affairs Committee.

Commissioner Mattison asked about the two amendments.

Mr. Turpen said that the \$4.2-million for Master Plan bond debt service is a recalculation. The second item reflects the firm belief that we must continue to amplify our outreach and assistance efforts to MBE/WBE's as we begin construction. The aim is to maximize assistance in order to prevent some of the problems we have had in the past with companies caught in an administrative morass and losing

opportunities. We want to avoid that not only in an effort to help the communities but to ensure that the program moves along smoothly.

Mr. Turpen said that this captures a whole range of discussions we've had on how to improve our ability to provide Airport opportunities to interested communities.

Mr. Turpen said the Airport has had an outreach office since 1981. It probably has the largest data base of all types of companies. We want to go beyond that effort with further staffing to work with bidders on a regular basis and assist them in their efforts with HRC to ensure that they can be timely participants in the program.

Commissioner Jeanpierre thought it was a great idea.

Commissioner Murphy asked if this would assist a perspective bidder in putting together a bid.

Mr. Turpen said that it would. Item no. 6 is an example of what this program is designed to address. Bidding in a municipal environment is very complex. If a bidder is not accustomed to the environment it is all the more difficult.

Commissioner Brooks asked if this was just for the expansion program.

Mr. Turpen responded that it is for anything. He expects it to continue as a key office at the Airport even after the completion of the construction program.

5. Award of Contract No. 3183
Environmental Clean-Up - Professional Services Contract

No. 93-0037 Resolution awarding Contract No. 3183
to Wahler Associates/AGS, Inc., J.V.,
in the amount of \$500,000.00.

Mr. Dennis Bouey, Deputy Director, Facilities Operations and Maintenance explained that this contract is one of a series that the Airport will be letting to ensure that the areas to be constructed under the Master Plan are free of hazardous materials. If an area is found to be dirty, a remediation plan will be implemented.

Mr. Bouey said that a contract is under way for Plot 1.

Commissioner Mattison asked if this was phase 2.

Mr. Bouey responded that it is not phase 2. It would have been easier to bid one contract for all of the sites but that would have precluded just about any MBE/WBE participation. Instead, the larger contract was broken down into a series of smaller contracts with defined areas for site analysis. This contract will cover Plot 52, behind the MOC, which is anticipated for additional parking. If the area is clean the contract will be moved to the next site. If hazardous material is

found the contractor will establish a remediation plan and a separate contract will have to be let to clean up the site.

Commissioner Mattison asked if the contract is for professional time.

Mr. Bouey said that it is.

Commissioner Mattison asked how much it would cost.

Mr. Bouey responded that so far Plot 1 has cost the Airport about \$280,000.00. In theory, if nothing is found in a plot we will spend between \$50,000 to \$70,000. If the site is dirty, the nature and extent of the hazardous material must be determined.

Mr. Bouey said that the estimate for this package includes two sites and the cost of each site is estimated to be at about \$250,000.00. If nothing is found we could conceivably walk away spending between \$50,000 to \$100,000.

Commissioner Brooks asked who scored the contractors.

Mr. Bouey responded that it is done by an independent panel comprised of in-house staff and outsiders. Different scoring is done along the way. Initially, there is a group of applicants. Those applications are reviewed and scored. A list of finalists is selected from that group. The panel then meets with the finalists, reviews their proposals and assigns another score. Another preference is applied to that score and the ranking is then determined.

6. Rejection of All Bids - Contract No. 2349C
Conversion of Two Restrooms for the Disabled - Engineering Building

No. 93-0038 Resolution rejecting all bids for
Contract 2349C and authorizing the
re-bid of Contract No. 2349C.

Commissioner Mattison asked if we intend to go back to these people and try to figure out where they went wrong or, if we will go after different bidders.

Mr. Bouey responded that we will go back to these bidders and work with them.

Mr. Bouey said that 16 firms withdrew plans. Staff talked with four of them and found that they did not bid because of bonding problems. BDI is now trying to assist those four firms in getting bonds.

Mr. Bouey said that staff did extensive outreach but will try it again to see if new firms might be willing to take out plans and bid.

7. Rental Credit to Federal Express for Roof Repairs to Hangar C-01
Minutes, February 16, 1993, Page 7

* * *

H. CONSENT CALENDAR OF ROUTINE ADMINISTRATIVE MATTERS:

Item no 8 was adopted unanimously as amended.

8. Approval of FAA Field Test

No. 93-0040

Ms. Mara Rosales, Airports General Counsel, requested amending the resolution to stipulate approval subject to City Attorney review.

Commissioner Murphy said that that would be appropriate. It was his understanding that if the City Attorney does not sign off on this the item will be back before the Commission.

Item nos. 9 through 13 were adopted unanimously.

9. Declaration of Emergency - Contract No. 3230
Emergency Transformer Repair LCT84, BA "F" HUB

No. 93-0041

Ratifying the action of the Commission
President in declaring an emergency
and authorizing the necessary repairs.

Commissioner Brooks asked if fire extinguishers are in the building.

Mr. Bouey responded that there are.

10. Declaration of Emergency - Contract No. 3226
Emergency Cable Replacement - Cable 12 BPBG-2

No. 93-0042

Ratify action of the Commission
President in declaring an emergency
and authorizing the necessary repairs.

11. Southwest Airlines Rental Credit: Repair of Gate 33 Boarding Bridge

No. 93-0043

Rental credit to Southwest Airlines to
repair Boarding Bridge at Gate 33.
Not-to-exceed \$35,000.

12. Amendment to Resolution 92-0114

No. 93-0044

Approve amendment of Resolution 92-0216 to endorse use of artificial Christmas trees throughout passenger terminals.

13. Travel/Training for Fiscal Year 1992-93

No. 93-0045

* * *

I. NEW BUSINESS:

There was no discussion by the Commission.

* * *

J. CORRESPONDENCE:

There was no discussion by the Commission.

* * *

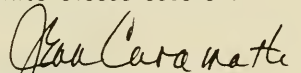
K. CLOSED SESSION:

The Airports Commission will go into closed session in accordance with Government Code Section 54956.9(a) to discuss the following pending litigation: 1) Millbrae, Brisbane, et al v. Airports Commission; 2) Sierra Point Associates Two, The Koll Company v. C&CoSF.

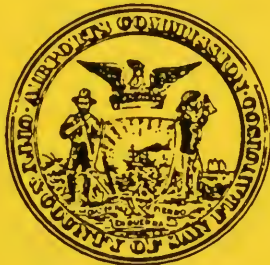
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L. ADJOURNMENT:

There being no further calendared business before the Commission the meeting adjourned at 9:20 AM to go into closed session.


Jean Caramatti
Commission Secretary

SAN FRANCISCO AIRPORTS COMMISSION



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MINUTES

MARCH 2, 1993

FRANK M. JORDAN, MAYOR

COMMISSIONERS

PATRICK A. MURPHY
President

J. STANLEY MATTISON
Vice President

L. ANDREW JEANPIERRE

JAMES K. HO

MARIE K. BROOKS

LOUIS A. TURPEN

Director Of Airports

**SAN FRANCISCO INTERNATIONAL AIRPORT
SAN FRANCISCO, CALIFORNIA 94128**

Index
of the Minutes
Airports Commission

March 2, 1993

<u>CALENDAR SECTION</u>	<u>AGENDA ITEM</u>	<u>TITLE</u>	<u>RESOLUTION NUMBER</u>	<u>PAGE</u>
A.		CALL TO ORDER:		3
B.		ROLL CALL:		3
C.		ADOPTION OF MINUTES:		
		Regular meeting of February 16, 1993	93-0046	3
D.		ITEMS INITIATED BY COMMISSIONERS:		3
E.		PENDING LEGISLATION:		
	1.	State Legislation-Oppose SB245	93-0047	4-5
F.		CONSENT CALENDAR OF ROUTINE ADMINISTRATIVE MATTERS:		
	2.	Award Contract 1998 - Replace Elevator 210 - International Terminal	93-0048	5
	3.	Approve B/A "E" Principal Concession Retail Sublease to Tan Enterprises	93-0049	5
	4.	B/A "E" Principal Concession Retail Lease - Design Approval	93-0050	5
	5.	Credit to UAL for Construction of New Vault to be Applied Against Reimbursement from UAL for Site Assessment of Fuel Leaks	93-0051	6
	6.	Mod. No. 9 - to O'Brien-Kreitzberg & Associates Contract	93-0052	6
	7.	Ratify Personnel Actions	93-0053	6
	8.	Travel/Training - FY 1992/93	93-0054	6

G.	NEW BUSINESS:	6
H.	CORRESPONDENCE:	6
I.	CLOSED SESSION:	
	Personnel Matters	7
J.	ADJOURNMENT:	7

Minutes
of the
Airports Commission Meeting

March 2, 1992

A. CALL TO ORDER:

The regular meeting of the Airports Commission was called to order at 10:30 A.M. in Room 282, City Hall, San Francisco, Ca.

* * *

B. ROLL CALL:

Present:	Patrick A. Murphy, President
	J. Stanley Mattison, Vice President
	L. Andrew Jeanpierre
	James K. Ho
	Marie K. Brooks

* * *

C. ADOPTION OF MINUTES:

The minutes of the regular meeting of February 16, 1993 were adopted by order of the Commission President.

No. 93-0046

* * *

D. ITEMS INITIATED BY COMMISSIONERS:

Commissioner Murphy briefed the Commission on his trip to the Orient with the Mayor. He attended meetings with Cathay Pacific, EVA and China Air. The Mayor's group also met with Asiana in Seoul.

Commissioner Murphy felt that the trip was very productive. He said that China Air will increase its service to SFO. EVA is going to initiate service. Cathay will reintroduce service at some point, although it is not in their near term plans.

* * *

E. PENDING LEGISLATION:

Item no. 1 was adopted unanimously.

1 State Legislation

No. 93-0047

Resolution opposing SB 245 (Kopp).

Mr. Lou Turpen, Airport Director explained that this legislation seeks to address the Airport's participation in San Mateo County's Congestion Management Plan (CMP). He pointed out that under the Master Plan the Airport agreed to participate in the CMP.

Mr. Turpen said that there are two schools of thought on the subject. The first is that San Mateo County could lose funds if the Airport does not conform to the CMP. The second school of thought is that San Francisco would lose funds if the Airport did not conform to the CMP.

Mr. Turpen said that we could be creating a problem where none exists. This legislation could stop the Master Plan if the Airport failed to meet standards higher than those set by the member cities in San Mateo County. We have a legally binding agreement to conform to the standards set for San Mateo County member cities. The San Mateo County Council has verified that the agreement is legally binding.

Mr. Turpen said that San Mateo County and the Airport are looking at the legislation to see what, if anything, needs to be done to ensure San Mateo County's protection. However, the legislation as now written is extremely damaging.

Mr. Turpen offered a substitute resolution to the one that appeared in the Commission's information package.

Commissioner Mattison said that he preferred the substitute resolution as it speaks to the specific issues involved, i.e. that the legislation holds the Master Plan hostage to narrow special interests.

Mr. Turpen said that he briefed the Mayor this morning on the legislation and the resolution pending before the Commission.

Commissioner Brooks asked if any other airports were covered by this legislation. She also asked if there are legal ramifications to giving San Mateo County jurisdiction over a San Francisco asset.

Mara Rosales, Airports General Counsel explained that the legislation refers to airports owned by a City and County. As SFO is the only airport in California owned by a City and County, this legislation is directed at SFO. She said that the City Attorney is researching the Commissioner's second question.

Commissioner Jeanpierre asked if the findings were going in our favor.

Ms. Rosales responded that it appears so.

F. CONSENT CALENDAR OF ROUTINE ADMINISTRATIVE MATTERS:

Commissioner Murphy announced that Jean Caramatti, Commission Secretary was serving on Jury Duty and that he would act in her stead.

Commissioner Jeanpierre announced that the reason he was recused from voting on the Thigpen award at the February 16, 1993 meeting was due to the fact that Mr. Thigpen was a client of his.

Item nos. 2 through 8 were adopted unanimously.

2. Award of Contract 1998 - Elevator 210 Replacement
International Terminal

No. 93-0048

Resolution awarding Contract 1998, Elevator 210 Replacement, International Terminal, to Millard Tong Construction Co. in the amount of \$671,500.00.

Mr. Bouey explained that CICO, the low bidder, failed to list its subs.

3. Approve Boarding Area "E" Principal Concession Retail Sublease to Tan Enterprises

No 93-0049

Resolution approving The DELSTAR Group, Inc. dba Del Duca Enterprises, Inc. sublease of the Accessories Shop and Collectibles/Music Box Shop in the North Terminal to Tan Enterprises.

Commissioner Brooks asked if Mr. Tan had any prior existing relationship with DELSTAR.

Ms. Gittens responded that he did not.

4. Boarding Area "E" Principal Concession Retail Lease - Design Approval

No. 93-0050

Resolution approving designs for the Boarding Area "E" Principal Retail Concession Stores and authorize their construction and renovation.

5. Credit to United Airlines for Constructing a New Vault to be Applied Against Reimbursement From United for Site Assessment of Fuel Leaks

No. 93-0051

Resolution approving a credit to United Airlines for constructing a new vault for communications lines to be applied against reimbursement from United for site assessment of fuel leaks.

6. Modification No. 9 to Contract with O'Brien-Kreitzberg & Associates

No. 93-0052

Resolution modifying existing contract with O'Brien-Kreitzberg & Associates to increase the contract amount by \$96,000 and extend the completion date to December 31, 1993.

7. Resolution Ratifying Personnel Actions

No. 93-0053

Resolution, in accordance with the requirements of San Francisco City Charter Section 3.501, ratifying and approving certain personnel actions taken by the Director of Airports.

8. Travel/Training for Fiscal Year 1992-1993

No. 93-0054

* * *

G. NEW BUSINESS:

There was no discussion by the Commission.

* * *

H. CORRESPONDENCE:

There was no discussion by the Commission.

* * *

I. CLOSED SESSION:

The Airports Commission will go into closed session in accordance with Government Code Section 54957 to discuss personnel matters.

* * *

J. ADJOURNMENT:

There being no further calendared business before the Commission the meeting adjourned at 10:47 AM.



Angela Gittens
Deputy Director
Business and Finance

11/6/93

SAN FRANCISCO AIRPORTS COMMISSION



MINUTES

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APRIL 6, 1993

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COMMISSIONERS

PATRICK A. MURPHY
President

J. STANLEY MATTISON
Vice President

L. ANDREW JEANPIERRE

JAMES K. HO

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Director Of Airports

SAN FRANCISCO INTERNATIONAL AIRPORT
SAN FRANCISCO, CALIFORNIA 94128

Index
of the Minutes
Airports Commission

April 6, 1992

<u>CALENDAR SECTION</u>	<u>AGENDA ITEM</u>	<u>TITLE</u>	<u>RESOLUTION NUMBER</u>	<u>PAGE</u>
A.		CALL TO ORDER:		4
B.		ROLL CALL:		4
C.		ADOPTION OF MINUTES:		
		Regular meeting of March 2, 1993	93-0055	4
D.		DIRECTOR'S REPORT:		
	1.	Report on Concession Program		5-9
E.		ITEMS INITIATED BY COMMISSIONERS:		9
F.		PENDING LEGISLATION:		
	2.	Resolution Opposing Enactment of SB629	93-0058	9-10
	3.	Resolution Opposing Enactment of AB1229	93-0059	10
G.		ITEMS RELATING TO ADMINISTRATION, OPERATIONS & MAINTENANCE:		
	4.	Award of Foreign Currency Exchange Lease	93-0060	10
	5.	Award Contract for Center Island Skycap Services to Pacific State Airline Services, Inc.	93-0061	10-11
	6.	Award Contract for Media Campaign to Promote Ground Transportation Services	93-0062	11-12
	7.	International & North Terminal Cigarette Vending Lease - Final Option	93-0063	12

8.	Authorize Pre-Bid Conference - International Terminal Connector Hair Salon Lease	93-0064	12
9.	Assignment of Lease No. 66-0948 for Fixed Based Operations (FBO) from Butler Aviation to Signature Flight Support	93-0065	12
10.	Declaration of Official Intent of the Airports Commission with Respect to Issuance of Indebtedness	93-0066	12-13

H. CONSENT CALENDAR OF ROUTINE
ADMINISTRATIVE MATTERS:

11.	Retirement Resolution: Roy Lee	93-0056	14
12.	Retirement Resolution: William Powell	93-0057	14
13.	Approve First One-Year Option for Garage Catering Leases: Lease A Lease B	93-0067 93-0068	14
14.	Award Contract 3069R - Garage Waterproofing Repair - Expansion Joint	93-0069	14
15.	Award Contract 2349C - Conversion of Two Restrooms for the Disabled - Engineering Building	93-0070	14
16.	Bid Call - Contract 3167 - Industrial Wastewater Reclamation Project	93-0071	15
17.	Contract 3232 - PSC - RFQ and Proposal for Services on Site History, Analysis & Remediation Plans for Construction Projects	93-0072	15
18.	U.S. Postal Services Plot 10B Lease Renewal Option	93-0073	15
19.	Alaska Airlines - Mod. No. 4 to Lease and Use Agreement	93-0074	15
20.	Northwest Airlines - Mod. No. 5 to Lease and Use Agreement	93-0075	15
21.	USAir, Inc. - Mod. No. 6 to Lease and Use Agreement	93-0076	16

22.	Mod. of Feasibility Consultant Contract - John F. Brown	93-0077	16
23.	Mod. No. 6 of Legal Services Agreement with MoFo (\$500,000)	93-0078	16
24.	Mod. No. 6 of Contract with Howard, Rice et al (\$50,000)	93-0079	16
25.	Contract with COFAM - (\$98,000)	93-0080	16
26.	Travel/Training - FY 1992/93	93-0081	16
27.	Resolution Ratifying Personnel Actions	93-0082	16-17
I.	NEW BUSINESS:		17
J.	CORRESPONDENCE:		17
K.	CLOSED SESSION:		
	Litigation: SFO Airporter; Sanchez; FAA and Personnel		4
L.	ADJOURNMENT:		17

Minutes
of the
Airports Commission Meeting

April 6, 1992

A. CALL TO ORDER:

The regular meeting of the Airports Commission was called to order at 9:00 A.M. in Room 282, City Hall, San Francisco, Ca.

* * *

B. ROLL CALL:

Present:	Patrick A. Murphy, President
	J. Stanley Mattison, Vice President
	L. Andrew Jeanpierre
	James K. Ho
	Marie K. Brooks

* * *

K. CLOSED SESSION:

The meeting was recessed at 9:01 AM to go into closed session and was reconvened at 9:11 AM. In addition to the issues listed in the calendar it was also announced that the Commission would discuss litigation entitled the C&CofSF v FAA in accordance with Government Code Section 54956.9(a).

The Airports Commission will go into Closed Session in accordance with Government Code Section 54956.9(a) to discuss the following litigation settlements: (1) SFO Airporter v CCSF and (2) Edward Sanchez v CCSF and Government Code Section 54957 to discuss personnel matters.

* * *

C. ADOPTION OF MINUTES:

The minutes of the regular meeting of March 2, 1993 were adopted by order of the Commission President.

No. 93-0055

* * *

D. DIRECTOR'S REPORTS:

1. Report on Concession Program

Retail Concession Program for current facilities affected by the Master Plan.

Mr. Lou Turpen, Airport Director, explained that this report is designed to provide the Commission with the current thinking regarding the concession program. That includes possible extensions to existing leases based on how the existing leases fit into the overall planning of the new International Terminal and other master plan efforts.

Ms. Angela Gittens, Deputy Director for Business and Finance said that staff looked at the three concessions that will be affected by the master plan timing. The principal concessions in the International and South Terminals and the Duty Free In-Bond lease.

Ms. Gittens said that the criteria is to retain our revenue stream, to have attractive, viable concessions, to serve the public with a minimum of disruption in operation or closure during the time before the facility will be demolished or moved to a permanent home. To assure continuance of our minority business enterprise program and maintain the flexibility needed to adapt to the changes that will occur in the master plan schedule as we go forward.

Ms. Gittens said that this is staff's early thinking on this issue. A decision will not be made today. Staff still needs to meet with Host, DFS and Allders to formally communicate the Airport's intent and to formally receive their reactions.

Commissioner Jeanpierre asked if staff had a timetable in mind.

Ms. Gittens responded that she anticipates a decision for DFS and Host within the next six to eight weeks.

Ms. Rilla Ginsberg, Marilla Chocolate, a WBE in the South Terminal. She said that the South Terminal has been problematic since its inception, with many of the projections not having been met. If any terminal has suffered bankruptcies it has been the South Terminal.

Ms. Ginsberg said that up until two weeks ago she was led to believe that there would be an extension of their South Terminal contract. They have since found out that that is not to be the case. Should the contract not be extended the Marilla Chocolate Company will be eliminated. The elimination of her company will create a ripple effect that will involve staff. The strength of the WBE is in its functioning. The opportunities for people to approach them is while they are functioning. Should they cease to function most people will not know of their existence and future opportunities will be lost.

Ms. Ginsberg asked the Commission to take into consideration the situations of WBEs and DBEs and the fact that in many instances most of the people they employ are women and minorities.

Mr. Bob Kattengell, General Manager, Host International at SFO told the Commission that his remarks would be on behalf of Host's proposal submitted to Airport staff.

Mr. Kattengell said that Host's current proposal for the South Terminal is \$393,000 less than the Airport's proposal for the three contracts. He said that Airport staff recognizes that the value of the South Terminal contract has dropped dramatically, primarily due to the significant drop in enplanements in that terminal, particularly in the last six months. Further, there are no indications that that will change any time soon. Delta eliminated its L.A. shuttle flights, and a number of the airlines in that terminal are in Chapter 11.

Mr. Kattengell said that Pier B suffered a 16 percent decline in enplanements in January. Pier C had a 10.2 percent decline. Pier A had a five percent decline in enplanements. Clearly, the value of this contract has dropped off significantly from five years ago.

Mr. Kattengell said that under its proposal Host will continue to provide rent subsidies to their DBE partners. In the last five years Host has provided rent subsidies to their DBE partners totaling about \$1,017,000 so that the DBEs could maintain the viability of their businesses. Host is willing to continue to do that should their contract be held over for the next 36 months.

Mr. Kattengell said that Host is also proposing to immediately invest \$355,000 to refurbish the facilities and to develop new facilities in the terminals. Host feels they can do this without any interruption of business. He felt that if someone else were to come in it would take time to refurbish and stock the shelves. The 60-90 days it would take to accomplish this would mean an interruption in service to the public and a loss of revenue to the Airport.

Mr. Kattengell said that Host's current MAG proposal is only \$127,000 less than the minimum bids under the three potential contracts. They do not feel that that difference is significant enough over a three year life to potentially expose the Airport to all of the disruptions he has outlined. He felt that Host's outline was fair and equitable to all parties and that it offered the least disruptive method of entering the construction phase of the Master Plan.

Mr. Mike Blakely, Vice President and General Manager of Allders, USA, said that DFS West's lease is due to expire on July 14, 1993. Based on the report the Commission received it appears that staff is in negotiations with DFS West for an extension of the Gift Shop lease for the interim period during the Airport's renovation and expansion. Although there appears to be some staff sentiment in favor of a bid for this lease, the Director seems inclined to recommend an extension that lease at the minimum annual guarantee of 20 percent of gross revenues, which is their current rent. He said that Allders believes that this is below market rent for this highly profitable concession. It is his understanding that DFS bid 28 percent for the gift shop concessions at LAX. Allders is prepared to bid in excess of 20 percent for the gross revenues of this lease.

Mr. Blakely said that Allders has raised several significant legal issues concerning the lease in an effort to resolve their differences. Allders proposed a lease extension to completion of the terminal alterations at a figure far in excess of the 20 percent of gross revenues that is being charged for the DFS Gift Shop lease. He said that although their proposal is below Allders current revenue ... possibly 50 percent of gross revenues ... it nevertheless provided the Airport with above market rent ... in excess of 35 percent of gross revenues. Airport staff has rejected their proposals.

Mr. Blakely said that Allders is troubled by what appears to be disparate and unequal treatment by Airport staff in these two situations. Allders questions Airport staff's business and legal judgment in extending the Gift Shop lease at below market rents while rejecting an extension for the Duty Free concession rents that are substantially above market rents.

Mr. Jerry Lee, representing the California Shop, said that they were one of the first successful SBE bidders in 1981 and were fortunate to win another bid in 1988. In February 1992 Host asked them to take over the Made in California Shop in the South Terminal Boarding Areas "A", "B" and "C". Since that time they were required to hire four full time employees and 11 part time employees to manage those shops. Sales have been disappointingly low compared to their North Terminal shop due to the large drop in passengers over the past year. A lot of money has been invested in inventory and they have only been in the shops for 14 months.

Mr. Lee said that they have received favorable treatment from Host in that they are only required at this time to pay a percentage of their income for rent as opposed to a percentage of their minimum.

Mr. Lee said that any business in that location that is required to pay the higher minimum rent will be unsuccessful. One of the reasons they were asked to take over that sublease is because the prior DBE failed. He said that the most distressing part is that over the past few months they have had full eight hour shifts but the sales in those shops have been only \$20.00 or \$30.00. They cannot run a successful business with those kinds of sales.

Mr. Benny Tan, Tan Enterprises, said that he signed his lease in the South Terminal in 1985 and opened his shop in November of that year. His first shop in Boarding Area "B" did not open until 1987 because of construction delays. He said that Boarding Area "C" did not open until mid-1988. The South Terminal has always been a hard start for DBEs. He said that a lot of DBEs had to relocate in the South Terminal or close out stores in order to survive.

Mr. Tan requested that the Commission extend their lease and allow them some breathing space.

Mr. Tan said that he was taking over a sublease in the International Terminal that was going out of business. He requested an extension for that lease as well. He said that they took over that shop not that long ago and they are just trying to survive.

Mr. Tan submitted to the Commission copies of his March 25, 1993 letter addressed to Angela Gittens. See attached.

Commissioner Brooks asked Mr. Tan how his shop in the International Terminal was doing.

Mr. Tan said that they changed the merchandise and staffed it differently. He was able to take advantage of the low periods in his South Terminal stores and move staff around. He also puts in long hours to make it work. The fruits of that labor are showing up in the International Terminal.

Mr. Turpen said that he appreciated the comments made today. Staff will take those comments under advisement. A written summary of the Airport's position will be filed within the next two weeks.

Commissioner Mattison asked what constraints the Airport is under regarding holding over a different MAG from what is specified in the existing lease. He asked if the Airport was compelled to bid if the MAG is lowered.

Ms. Mara Rosales, Airports General Counsel responded that she was not certain that the Airport would be compelled to bid. It would depend on the circumstances.

Commissioner Mattison assumed that the Airport would be vulnerable to attack if it tried to negotiate the lease as opposed to bidding it.

Commissioner Mattison said that the Airport must weigh if a principal goal, in addition to trying to get through the transition, is also to strengthen or shore up MBE/WBE participation, are we substantively doing that by virtue of this three lease approach. However, if we bid this with two set asides without a Host-type safety net or subsidy, have we effectively ended up with more MBE/WBE participation, or is it about the same if the Host lease is extended using its existing WBE/MBE partners.

Commissioner Mattison asked what the constraints were in negotiating a higher percentage in doing a holdover as opposed to a higher MAG. Taking at face value Mr. Blakely's comments, if we are tempted to ask for a higher percentage is that also an item for negotiation or does it automatically throw it into a bid.

Commissioner Murphy said that we faced the issue of whether or not we can tinker with renewal options several years ago.

Commissioner Mattison wondered how realistic the bidding process would be if we are talking about short term leases. Responding to Mr. Blakely's questioning of staff's business judgment in negotiating, he said it shows a lot of chutzpah to want to renegotiate the Allders lease, awarded not long ago, to reduce the rental burdens in the range of 50 percent of gross revenues, and, on the other hand criticize our negotiations on the DFS lease. He said it was a little ironic.

Mr. Turpen said that this will be washed against the legal constraints to come up with some legal envelope. He knows what many of them are but would like counsel to confirm. Staff will then recommend what it believes to be the best business judgment based on the Master Plan.

Commissioner Murphy said that he knew that staff was always willing to meet and confer with interested parties but hoped that there will be a more than normal amount of effort put into that. This affects people's business opportunities and lives. He does not want to see one of our Thursday it's filed and Tuesday we vote tap dances.

Mr. Turpen said that staff will return to the Commission, hopefully within two weeks, with a written summary concerning the legal issues and the legal parameters within which we must operate. Beyond that we can construct a program.

Commissioner Jeanpierre was interested to know if the adverse economic conditions cited by some of the speakers impact the bid process.

Commissioner Murphy said that if he owned a successful airline he would be hesitant if the Airport wanted to place it in the South Terminal.

* * *

E. ITEMS INITIATED BY COMMISSIONERS:

There were no items initiated by Commissioners.

* * *

F. PENDING LEGISLATION:

Item no. 2 was adopted unanimously as amended.

2. Resolution Opposing Enactment of SB629

No. 93-0058

Mr. Turpen said that the Commission previously opposed the legislation. He does not see much different in this legislation that would cause the Commission to reconsider.

Mr. Turpen said that the dollar amount includes the total noise package, including the Roundtable.

Commissioner Mattison suggested that the wording be very clear. He doesn't want it to appear that the Airport is aligning itself against some noble effort. He doesn't want it to sound like this is the solution to the problem. It's not the solution at all. He said that

the bill is mischief and nonsense. He felt that the resolution must speak to those people who might not be up to speed on the history on this circus. It should be made clear that this is just one more time at bat at a never ending crusade.

Mr. Turpen said that he will pursue the same course that was done previously. It was fairly effective.

Item no. 3 was adopted unanimously.

3. Resolution Opposing Enactment of AB 1229

No. 93-0059

Mr. Turpen said that this bill is designed to raise revenue for the State. There is some indication that it is going to be subject to revision based on further information which has come to the attention of the author. However, the Commission should take a position against the bill as it is currently constructed in case the anticipated amendments are not forthcoming.

* * *

G. ITEMS RELATING TO ADMINISTRATION, OPERATIONS & MAINTENANCE:

Item nos. 4 through 10 were adopted unanimously.

4. Award of Foreign Currency Exchange Lease

No. 93-0060

Resolution awarding Foreign Currency Exchange Lease to Tele-Trip Company, Inc.

5. Award of Contract for Center Island Skycap Services to Pacific State Airline Services, Inc.

No. 93-0061

Resolution awarding contract for Center Island Skycap Services to Pacific State Airline Services, Inc. - base cost not to exceed \$173,000 for the first year.

Mr. Turpen said that the one-year test program installed on the upper level center island was successful. The recommendation is to award the contract to Pacific State Airline Services, Inc.

Commissioner Mattison asked if the successful bidder was local.

Mr. William Walker, Pacific State Airline Services, responded that his

company has operated at SFO for the past 12 years. Their corporate offices are in Los Angeles but they operate in every city in California.

6. Award of Contract for a Media Campaign to Promote Ground Transportation Services

No. 93-0062

Resolution awarding the contract for a media campaign to promote ground transportation services for one-year with option for three one-year renewals and an annual budget of \$200,000.

Mr. George England, United Taxicab Workers asked for an explanation of the item before he comments.

Mr. Turpen responded that the Airport has used media campaigns in the past to promote the use of ground transportation to the Airport. The radio spots suggest that a vacation begins at the door and encourages the use of mass transit. This is a continuation of the program.

Mr. Turpen said that there were six proposers. The recommendation is for a one-year program with three one-year renewal options.

Mr. England said that the taxi industry is in transition. He did not feel that past efforts to provide information on ground transportation was impartial.

Mr. England said that he complained previously to the Commission about the information booths and the limited information they were providing about taxicabs. That has changed but he still believes that people working in the information booths are biased in favor of shuttles.

Mr. England said that the City will probably be interested in looking at the amount of money being spent on outside contractors.

Mr. England said that previous media campaigns that appeared in the paper encourage people to use mass transportation and direct them to the yellow pages under "Airport Transportation" or are urged to check at the Information Booths. The yellow pages list limousine, shuttles and one taxicab company. A more impartial approach would be to direct people to look under Airport Transportation, Taxicabs, Limousines.

Mr. England said that people like to ride in automobiles but there seems to be a concerted effort to get people in shuttles, whether they want to or not.

Mr. England cited newspaper articles that described how vans failed surprise inspections and were impounded for safety violations.

Mr. England said that these vehicles are being cited for safety violations yet SFO is named best in the nation for ground transportation services by the Ground Transportation Association.

Mr. England hoped that the media campaign will be impartial.

7. International and North Terminal Cigarette Vending Lease - Final Option

No. 93-0063 Resolution approving the final one-year lease option for the North & International Terminal Cigarette Vending Lease.

Mr. Turpen said that this is the final option. With the exception of special rooms, the Airport is a smoke-free environment. Within the next year the Commission will have to decide if it wants to continue to provide this service.

8. Authorization to Proceed with Pre-Bid Conference: International Terminal Connector Hair Salon Lease

No. 93-0064 Resolution approving leasehold specs and authorizing a pre-bid conference for the International Terminal Connector Hair Salon Lease.

9. Assignment of Lease No. 66-0948 for Fixed Base Operations (FBO) from Butler Aviation to Signature Flight Support

No. 93-0065 Resolution consenting to the Assignment of Lease 66-0948 from Butler Aviation - San Francisco, Inc. to Signature Flight Support - San Francisco, Inc.

Mr. Turpen said that staff will re-bid this lease in advance of the expiration date. We are seeking to relocate the corporate aviation site as part of the Master Plan.

10. Declaration of Official Intent of the San Francisco Airports Commission with Respect to the Issuance of Indebtedness

No. 93-0066 Resolution declaring Commission intent to make future proceeds of SFAIC-United Airlines indebtedness available to pay or reimburse itself for project expenditures.

Ms. Gittens said that under current tax law, for a company which is able to issue tax exempt debt under the authority of the Airports

Commission, in order for them to be able to use the proceeds retroactively, or reimburse themselves for pre-issuance costs they would have to have an inducement resolution bind the authority for which they can issue these bonds.

Mr. Turpen said that at this point it is conceptual.

Ms. Gittens said that any actual bonds would have to be approved by the Commission. Any actual construction for these projects would have to be approved by the Commission. Commission approval of the inducement resolution does not grant them approval of these projects.

Commissioner Mattison assumed that no part of these funds has already been expended.

Ms. Gittens said that that was correct.

Commissioner Mattison asked what the implications were regarding outstanding bonded indebtedness.

Ms. Gittens said that the only implication for the Airport is to the extent that some of these projects are in our Master Plan and will be conducted by the Airport. To the extent that they are performed by a tenant, it reduces our financing obligation and the rental income.

Commissioner Mattison asked if bond holders would have superior rights to these facilities over our rights as landlords in the event of United's financial failure.

Commissioner Murphy assumed that they weren't mortgage bonds.

Mr. Turpen responded that they are not.

Ms. Gittens said that they are revenue bonds secured by the revenue on the facilities.

Commissioner Murphy asked if the holder of a bond have any actual interest in the facilities themselves, as opposed to a claim on the revenue stream.

Ms. Gittens said that the claim would be on United's revenue stream, not on the facilities.

Mr. Turpen said that the flight kitchen, for \$24-million, is questionable as United is considering abandoning flight kitchen support.

* * *

H. CONSENT CALENDAR OF ROUTINE ADMINISTRATIVE MATTERS:

Item nos. 11 through 14 and 61 through 27 were adopted unanimously.

11. Retirement Resolution - Mr. Roy Lee

No. 93-0056 Retirement resolution for Mr. Roy Lee, Manager for Host International at San Francisco International Airport.

12. Retirement Resolution for William H. Powell

No. 93-0057 Retirement resolution for William H. Powell retiring from the FAA.

13. Approve First One-Year Option for Garage Catering Leases "A" and "B"

No. 93-0067
No. 93-0068

14. Award of Contract No. 3069R
Garage Waterproofing Repair - Expansion Joint

No. 93-0069 Resolution awarding Contract 3069BR, Garage Waterproofing Repair, Expansion Joint, to Western Waterproofing Co., in the amount of \$206,604.00.

Item no. 15 was adopted unanimously as amended.

15. Award of Contract No. 2349C
Conversion to Two Restrooms for the Disabled - Engineering Building

No. 93-0070 Resolution awarding Contract 2349C to Valoff & Peck, Inc., in the amount of \$63,461.00.

Mr. Dennis Bouey, Deputy Director of Facilities Operations & Maintenance explained that the purpose of this contract is to convert two restroom facilities to meet the requirements of the Americans with Disabilities Act. The contract was previously approved as a set aside. The companies must be certified as either an African-American or woman-owned company before they may bid on the contract.

Mr. Bouey said that we did not receive bids from certified companies at the first offering. The low bidder this time was a certified WBE at the time the contract was bid. It turns out, however, that HRC had made a mistake and this company had never been certified. HRC has withdrawn its eligibility award for Valoff and Peck and certified Precision Construction Company as an African-American owned business.

16. Bid Call - Contract No. 3167
Industrial Wastewater Reclamation Project

No. 93-0071 Resolution approving the final plans and specs and authorizing the Director to call for bids for Contract No. 3167.

17. Contract No. 3232 - Professional Services Contract - Request for Qualifications and Proposal for Services on Site History, Analysis and Remediation Plans for Airport Construction Sites

No. 93-0072 Resolution authorizing Request for Qualifications & Proposals for services on site history, analysis & remediation plans for Airport sites under construction in the expansion program.

Commissioner Jeanpierre asked how this differs from AGS.

Mr. Bouey responded that it only varies in that it is in a different area. We would have preferred to have one large contract, but in order to provide MBE/WBE opportunities we have broken down the larger contract into five contracts.

18. U.S. Postal Service's Plot 10B Lease Renewal Option

No. 93-0073 Resolution approving the fourth renewal option of US Postal Service's Plot 10B Lease No. PUC 24392 at an annual land rate of \$42,000 per acre, per year.

19. Alaska Airlines, Inc. - Modification No. 4 to Lease and Use Agreement

No. 93-0074 Resolution modifying Alaska Airlines, Inc. Lease and Use Agreement to correct size of occupied space.

20. Modification No. 5 to Lease & Use Agreement - Northwest Airlines, Inc.

No. 93-0075 Resolution modifying Northwest Airlines Lease and Use Agreement to correct size of joint use space in South Terminal.

21. USAir, Inc. - Modification No. 6 to Lease and Use Agreement
No. 93-0076 Resolution modifying USAir's Lease & Use Agreement No. 82-0120 to relinquish South Terminal office space and amend exclusive and joint use space to correct measured inaccuracies in existing premises.
22. Feasibility Consultant Contract Modification - John F. Brown Co. Inc.
No. 93-0077
23. Modification No. 6 - Legal Services Agreement with Morrison & Foerster
No. 93-0078 Modification No. 6 of legal services agreement with Morrison & Foerster on airline contract and Master Plan issues and to enlarge the scope of services and increase funding by \$500,000.00.
24. Modification No. 6 of Contract with Howard, Rice, et al - \$50,000.00
No. 93-0079
25. Contract with the Corporation of Fine Arts Museums, San Francisco
No. 93-0080 Resolution approving contract for \$98,000.00 with the Corporation of Fine Arts Museums, San Francisco (COFAM) to provide and implement temporary exhibitions at SFIA for the FY 1993/94.
26. Travel/Training for Fiscal Year 1992/93
No. 93-0081
27. Resolution Ratifying Personnel Actions
No. 93-0082 Resolution, in accordance with the requirements of San Francisco City Charter Section 3.501, ratifying and

approving certain personnel actions
taken by the Director of Airports.

* * *

I. NEW BUSINESS:

There was no discussion by the Commission.

* * *

J. CORRESPONDENCE:

There was no discussion by the Commission.

* * *

L. ADJOURNMENT:

There being no further calendared business before the Commission the
meeting adjourned at 9:59 AM.


Jean Caramatti
Commission Secretary

March 25,1993

Ms. Angela Glittens
Deputy Director of Airports, Business and Finance
P.O. Box 8097
San Francisco International Airport
San Francisco, California 94128

Dear Ms. Glittens,

This letter is written on behalf of all the Women and Minority Subleasee of Host International in the South Terminal of San Francisco International Airport. We are speaking as one united group of business men and women who operate retail businesses in San Francisco International Airport and who face a critical juncture in our business operations and our personal lives.

We understood for some time that the original contract between Host International and San Francisco International Airport was due to expire on June 30, 1993. However, as that date has approached, many conversations have taken place about the construction of the new international terminal. Everyone of us thought that the possibility of a lease holdover for the South Terminal retail concessions was almost a certainty.

Now we are hearing that lease holdover possibility may be in jeopardy. The South Terminal subleasee to Host International are not involved in the lease holdover process or discussions, but we are directly affected by the outcome of those discussions. That is why we felt it necessary to provide you with our thoughts and feelings on the subject.

Host International and all its Women and Minority Subleasee have been through a difficult six years in the South Terminal. Business did not develop as all of us thought it would, and it seems like all the problem airlines over the last six years have been located in the South Terminal. But all of us worked hard and somehow the lease holdover was our reward for hard work and a little profit during the last six years. It seemed we were finally going to get a break. We all need that break and we hope that

you will understand what something like a lease holdover will do for many of us professionally as well as personally. It will give us the time we need to make a little extra income to offset the past few years, and it will help provide the additional experience we can all use as we move from this concession business into our next business opportunity. The additional time and income this lease holdover could provide is crucial to our success in the short term and for all future business opportunities.

Ms. Gittens, we as a united group of Women and Minority Subleasee in the South Terminal of San Francisco International Airport, are asking you to please take our situation under consideration as you negotiate with Host International for the lease holdover in this terminal. Host has supported us financially and otherwise through the years of this contract and all we are asking is that you consider all the history of this contract and all of the companies and people involved before making your decision. We are asking you to negotiate in good faith and on our behalf as you reach a decision with Host for the future operation of the South Terminal concessions.

Thank you for your time and for your continued support of Women and Minority business operations at San Francisco International Airport. We look forward to a favorable outcome for all in this challenging situation.

sincerely,

Benny F. G. G.
California Hotel & Casino

Ellen Robert
La Floresta

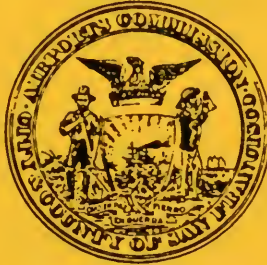
Quiberg
Mardla Chocolate Co.

Jayne Chew
Made in California

South Terminal Women and Minority Subleasee Group
San Francisco International Airport

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APRIL 20, 1993

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J. STANLEY MATTISON
Vice President

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JAMES K. HO

MARIE K. BROOKS

LOUIS A. TURPEN

Director Of Airports

**SAN FRANCISCO INTERNATIONAL AIRPORT
SAN FRANCISCO, CALIFORNIA 94128**

Index
of the Minutes
Airports Commission

April 20, 1993

<u>CALENDAR SECTION</u>	<u>AGENDA ITEM</u>	<u>TITLE</u>	<u>RESOLUTION NUMBER</u>	<u>PAGE</u>
A.		CALL TO ORDER:		3
B.		ROLL CALL:		3
C.		ANNOUNCEMENT BY SECRETARY:		3
D.		ITEMS INITIATED BY COMMISSIONERS:		
		Vladimir Vasin	93-0086	3-4
E.		ITEMS RELATING TO ADMINISTRATION, OPERATIONS & MAINTENANCE:		
	1.	Group A Short-List of Architectural & Engineering Firms for Airport Master Plan Program	93-0087	4-5
	2.	Host Food & Beverage Lease - Facility Package No. 7 Sublease Approval	93-0088	5
	3.	Authorization to Receive Bids for Sixth on-Airport Automobile Rental Services Agreement	93-0089	5-6
	4.	Adoption of Clarifications to MOU with San Mateo County	93-0090	6
F.		CONSENT CALENDAR OF ROUTINE ADMINISTRATIVE MATTERS:		
	5.	Mod. No. 4 - Delta Airlines Lease & Use Agreement	93-0091	6-7
	6.	Medical Clinic	93-0092	7
	7.	Bid Call - Contract 3240 - Gates 52 and 54 Apron Concrete Slab Stabilization	93-0093	7
	8.	Approve Software Development Costs	93-0094	7

9.	Approve Name Change from Bureau of Building & Construction to Bureau of Design & Construction	93-0095	7
10.	Proposed Exhibition Schedule Beginning Summer 1993	93-0096	7
G.	NEW BUSINESS:		
	Status of Van RFP		7-8
H.	CORRESPONDENCE:		8
I.	CLOSED SESSION:		
	Pending Litigation: Allders; Millbrae & Brisbane v Airport; Sierra Point Associates Two, The Koll Company v. C&CofSF.		8
J.	ADJOURNMENT:		8

Minutes
of the
Airports Commission Meeting

April 20, 1992

A. CALL TO ORDER:

The regular meeting of the Airports Commission was called to order at 9:00 A.M. in Room 282, City Hall, San Francisco, Ca.

* * *

B. ROLL CALL:

Present:

Patrick A. Murphy, President
J. Stanley Mattison, Vice President
L. Andrew Jeanpierre
James K. Ho
Marie K. Brooks

* * *

C. ANNOUNCEMENT BY SECRETARY:

In accordance with Section 54957.1 of the Brown Act, Jean Caramatti, Commission Secretary announced the unanimous adoption of resolution nos. 93-0083 regarding the settlement of litigation entitled SFO Airporter v C&CofSF; 93-0084 regarding the settlement of litigation entitled Sanchez v C&CofSF; and, 93-0085 confirming the appointment of Eugene Bordegaray as Administrator, Bureau of Planning and Construction at the closed session of April 6, 1993.

* * *

D. ITEMS INITIATED BY COMMISSIONERS:

Commissioner Murphy introduced a resolution acknowledging the departure of Vladimir I. Vasin, Vice Consul of the Russian Federation.

Mr. Turpen explained that Mr. Vasin was instrumental in introducing Aeroflot air service to San Francisco and assisted in establishing sister airport relationships between SFO and various Russian Far East airports.

Mr. Turpen said that Mr. Vasin has been a great friend to the Airport and will be missed.

The resolution was adopted unanimously.

No. 93-0086

* * *

E. ITEMS RELATING TO ADMINISTRATION, OPERATIONS & MAINTENANCE:

Item nos. 1 through 4 were adopted unanimously.

1. Group A Short-List of Architectural and Engineering Firms for the Airport Master Plan Program

No. 93-0087

Resolution authorizing distribution of the Group A Short-list of Architectural and Engineering firms for the Airport Master Plan Program, and requesting the HRC to determine the City's MBE/WBE sub-contracting goals for each of the projects identified in the short-list.

Mr. Lou Turpen, Airport Director said that the Master Plan generated a tremendous amount of interest from a significant number of firms. The resolution before the Commission authorizes staff to proceed with recommendations to the Human Rights Commission for M/WBE goals. The short list will be published upon approval of those goals.

Commissioner Jeanpierre asked how many groups are there.

Mr. Gene Bordegaray, Administrator, Bureau of Design and Construction responded that there are two groups, with 43 projects in Group A and about the same number in Group B. These are near term projects. There are additional projects in the long term as well.

Commissioner Mattison asked if the same short list will apply to Group B.

Mr. Bordegaray responded that those firms who are on this first Short List, having received jobs, will not be considered for the second list unless their jobs have been completed. Those who do not get on the Short List, even though they were considered for it, will be placed on the second list.

Commissioner Ho asked what was meant by "short term."

Mr. Bordegaray responded that "short term" projects will need to be done immediately. The 43 projects that are up front are the main terminal project, the ground transportation center, the light rail system. It is about five to seven years worth of projects.

Mr. Bordegaray explained that after HRC approval is received, the firms on the short list, as well as anyone who has shown any interest

at all, are notified. The subconsultants will have a chance to contact these firms so that teams can be formulated and interviewed for specific projects. Staff will meet with HRC and all of the short-listed prime consultants to identify the requirements, how they were arrived at and what the obligation is to meet them. Teams will be formulated based on that information.

2. Host Food & Beverage Lease - Facility Package No. 7 Sublease Approval

No. 93-0088

Resolution approving Host Sublease of the Cafe Espresso in the North Terminal to H.Y. Enterprises.

Mr. Turpen explained that this is a continuation of the program to create minority opportunities in the food and beverage concession program. This sublease is for Cafe Espresso in the North Terminal. Thirty-two proposals were received. H.Y. Enterprises is recommended for approval.

3. Authorization to Receive Bids for Sixth on-Airport Automobile Rental Services Agreement

No. 93-0089

Ms. Gittens explained that the agreement will be re-bid when General Rent-A-Car's two year contract expires. This has been a successful venture and lively competition is expected for the re-bid.

Ms. Gittens said that this bid involves terminal counters only. It does not include on-Airport parking lot space.

Commissioner Jeanpierre asked if the \$2-million gross sales qualifying requirement was in line with laws and our rules and regulations.

Ms. Gittens responded that it is.

Commissioner Mattison asked if General's operating results are available to the bidders.

Ms. Gittens responded that it is.

Commissioner Murphy said that it does his heart good to see Alamo attending.

Ms. Gittens noted that the comments represented in the memo to the Commission were made by Alamo.

Commissioner Brooks asked if the FAA required minority participation.

Ms. Gittens responded that the FAA has published guidelines on how the rental car industry can meet M/WBE requirements. They started by

trying to force joint ventures or trying to get actual minority rental car firms in the business but that proved to be impractical in many places. The heart of the business, as far as volume, is nation-wide companies, not local companies. A nation-wide reservation network is needed to capture the business market. The FAA has now incorporated rules having to do with supplies ... where the rental car agencies get their supplies and other kinds of contract business to include in their participation.

4. Adoption of Clarifications to M.O.U. with San Mateo County

No. 93-0090

Resolution adopting clarifications to the M.O.U. with the San Mateo City/County Association of Governments and the Airport/Community Roundtable.

Mr. Turpen said that this comes on the heels of the Commission's activities with respect to approval of the Master Plan. There were a number of requests for clarification from San Mateo County cities as they considered the Master Plan MOU. That continued for some time as each city, subsequent to the Commission's action, considered the MOU. Twelve to 13 cities have signed the MOU. A few more are considering it. Consistent with our promise to the cities, we indicated that we would bring these clarifications back for Commission action to ensure that they are consistent with the Commission's thinking. Further, the cities would have the assurance that the Commission understood the clarifications being presented.

Mr. Turpen explained that this is more of an administrative matter. There is nothing in the clarifications which is a departure from the Commission action. It is a more lengthy explanation of some elements of the MOU.

Commissioner Mattison asked what the changes were from what was received in the package last Thursday.

Mr. Turpen responded that the information the Commission received today was simply a wording clean-up.

* * *

F. CONSENT CALENDAR OF ROUTINE ADMINISTRATIVE MATTERS:

Item nos. 5 through 10 were adopted unanimously.

5. Modification No. 4 of Lease & Use Agreement with Delta Air Lines, Inc.

No. 93-0091

Resolution modifying Delta Air Lines, Inc. Lease & Use Agreement No. 82-0115 to amend exclusive use space to correct measured inaccuracies in existing

premises and relinquish a portion of Boarding Area "B" Gate 21 holdroom.

6. Medical Clinic

No. 93-0092

Approve extension of third modification to Medical Clinic agreement until June 30, 1994.

7. Bid Call for Contract No. 3240
Gates 52 and 54 Apron Concrete Slab Stabilization

No. 93-0093

8. Approval of Software Development Costs

No. 93-0094

Approve \$170,000 for Phase II of the Airport Revenue and Business Management System (ARBMS).

9. Resolution Approving Name Change from Bureau of Building and Construction to Bureau of Design and Construction

No. 93-0095

10. Proposed Exhibition Schedule Beginning Summer 1993

No. 93-0096

* * *

G. NEW BUSINESS:

Commissioner Jeanpierre asked Mr. Turpen for a briefing on the status of the van proposal.

Mr. Bob Rhoades, Airport Property Management, responded that nine proposals were received. The evaluation process was conducted by four staff members and one outside consultant. A recommendation will be forthcoming.

Mr. Turpen said that we have been inundated with businesses desiring to operate a van service to and from the Airport with a limited amount of curb space that can be allocated to this function. There is a significant

amount of upper level congestion and attendant problems. A six month moratorium on new licensees was instituted. After looking at a number of options, it was believed that the only option was to bid this activity. It is being bid to two groups.

Mr. Rhoades added that some of the proposals were submitted by joint venture.

Mr. Turpen said that the Commission will be receiving a memo shortly.

* * *

H. CORRESPONDENCE:

There was no discussion by the Commission.

* * *

I. CLOSED SESSION:

The Airports Commission will go into closed session in accordance with Government Code Section 54956.9(a)(1) to discuss pending litigation entitled Allders International, Ltd. v Airports Commission, C&CofSF.

* * *

J. ADJOURNMENT:

There being no further calendared business before the Commission the meeting adjourned at 9:17 AM to go into closed session.


Jean Caramatti
Commission Secretary

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MINUTES

MAY 18, 1993

FRANK M. JORDAN, MAYOR

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President

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Vice President

L. ANDREW JEANPIERRE

JAMES K. HO

MARIE K. BROOKS

LOUIS A. TURPEN

Director Of Airports

**SAN FRANCISCO INTERNATIONAL AIRPORT
SAN FRANCISCO, CALIFORNIA 94128**

Index
of the Minutes
Airports Commission

May 18, 1993

<u>CALENDAR SECTION</u>	<u>AGENDA ITEM</u>	<u>TITLE</u>	<u>RESOLUTION NUMBER</u>	<u>PAGE</u>
A.		CALL TO ORDER:		4
B.		ROLL CALL:		4
C.		ADOPTION OF MINUTES:		
		Regular meetings of April 6 and April 20, 1993	93-0097	4
H.		DIRECTOR'S REPORTS:		
	1.	Door-to-Door Shuttle Van Service		4-9
I.		ITEMS INITIATED BY COMMISSIONERS:		
		Master Plan Project Selection Process		9-11
J.		ITEMS RELATING TO ADMINISTRATION, OPERATIONS & MAINTENANCE:		
	2.	Approval of Architectural, Engineering & Project Costs	93-0098	11-12
	3.	Approval of Issue 5 Bonds & Official Documents		12
	4.	City of So.S.F. Home Insulation Funding - FY1993/94 - \$375,000	93-0099	12
	5.	DFS-West International Terminal Duty Paid Principal Concession Lease Extension	93-0100	12-13
	6.	Boarding Areas 'B' & 'C' Principal Concession Retail Lease		13-14
	7.	Boarding Area 'A' Retail Concession Lease A-1		13-14
	8.	Boarding Area 'A' Retail Concession Lease A-2		13-14

9.	Approve Second Amendment to Aircraft Noise Mitigation Agreement with So.S.F.	93-0101	14
10.	Fixed Base Operations Service Lease - Pre-Proposal Conference	93-0102	14-15
11.	Mod. No. 2 of Agreement between CCoSF & Brown Consulting Group	93-0103	15
12.	Approve Agreement with Richard Jordan for Legal Services - Worker's Comp Matters - \$25,000	93-0104	15

G. CONSENT CALENDAR OF ROUTINE ADMINISTRATIVE MATTERS:

13.	Mod. No. 2 to Agreements with HHM, Inc. & Towill, Inc. - Extend Contracts for Phase III Land Survey Services	93-0105	15
14.	Substitution & Addition of Subcontractor Request for Contract 2394 - Replace Transformer Station BQ & Contract 3143R - Airfield Access Control		15
15.	Substitution of Subcontractor - Contract 2349C - Convert Two Restrooms for Disabled - Engi. Bldg.	93-0106	16
16.	Southwest Airlines - Rent Credit for Improvements to Hangar 7S	93-0107	16
17.	Foreign Currency Exchange Lease - Design Approval	93-0108	16
18.	Extend Interim Agreement with SFFFC to Provide Curbside Attendants thru May 31, 1993	93-0109	16
19.	The Parry Company	93-0110	16-17
20.	Shuttle Bus Service Agreement #68252, Adjustment #1	93-0111	17
21.	Extension of Shuttle Bus Agreement #68252	93-0112	17
22.	Declaration of Emergency - Contract 3249 - Emergency Asbestos Removal - Lower Roadway Lights	93-0113	17

23.	Gift of Aviation Photographs from Robert Cameron	93-0114	17
24.	Travel/Training for FY1992/93	93-0115	17
25.	Resolution Ratifying Personnel Actions	93-0116	17-18
H.	NEW BUSINESS:		
	San Mateo Labor Coalition - May Rally at SFO		18
I.	CORRESPONDENCE:		
I.	CLOSED SESSION:		
	Pending Litigation - Allders		18
K.	ADJOURNMENT:		
			18

Minutes
of the
Airports Commission Meeting

May 18, 1993

A. CALL TO ORDER:

The regular meeting of the Airports Commission was called to order at 9:00 A.M. in Room 282, City Hall, San Francisco, Ca.

* * *

B. ROLL CALL:

Present: Patrick A. Murphy, President
J. Stanley Mattison, Vice President
L. Andrew Jeanpierre
James K. Ho

Absent: Marie K. Brooks

* * *

C. ADOPTION OF MINUTES:

The minutes of the regular meetings of April 6, 1993 and April 20, 1993 were adopted by order of the Commission President.

No. 93-0097

* * *

D. DIRECTOR'S REPORTS:

1. Report on Door-to-Door Shuttle Van Service

Report notifying the Airports Commission that the two highest-rated proposals for the Door-to-Door Shuttle Van Service Agreements are Lorrie's Travel and Tours, Inc., and SuperShuttle of San Francisco.

Mr. Lou Turpen, Airport Director, explained that this is a Director's Report and does not seek Commission action at this time.

Mr. Turpen said that in September, 1992 the Commission authorized staff to conduct a pre-proposal conference for the door-to-door shuttle van agreements. The purpose of this report is to share with the Commission the results of that process and to start the clock
Minutes, May 18, 1993, Page 4

running for a two-week period for written comments concerning the results of that process. Persons who would like to comment on that process are invited to submit written comments to him. Those comments will be shared with the Commission. The Commission will act on the proposal at the second meeting in June.

Mr. Turpen said that a pre-proposal conference was held in November, 1992. Thirteen firms were represented. The majority of those firms are currently operating at the Airport.

Mr. Turpen said that two major concerns were expressed ... the length of the term and the size of the performance bond. These concerns were ultimately resolved. The final recommendation is for a three year term with a one year option. The performance bond has been changed from its original recommendation of historical activity to \$100,000.

Mr. Turpen said that in January, 1993 the Commission authorized staff to issue Request for Proposals. Nine proposal were received, five of which were from individual companies and four were from joint venture partnerships. The Airport review committee looked at the proposals from operations experience and qualifications. The results of the RFP evaluation are contained in agenda item 1. Lorries Travel and Tours placed no. 1 and SuperShuttle of San Francisco placed no. 2.

Mr. Turpen said that companies currently providing on-demand service will be issued on-demand permits for the lower level. They will be allowed to use the Airport courtyards to pick up passengers on a pre-arranged reservation basis.

Mr. Turpen said that this is designed to publicly advise the community that participated in this process of the staff recommendation which will be submitted to the Commission on June 15. Interested parties are invited to submit written comments with respect to this issue prior to close of business on Monday, May 30. That will give the Commission two weeks to evaluate those responses prior to making a final decision.

Commissioner Jeanpierre asked how this will differ from what has been done in the past.

Mr. Turpen responded that new firms and firms that have come to the Airport since the moratorium currently operate from the lower level. Those firms will continue to operate as they have traditionally. Firms that have been operating from the upper level and were unsuccessful in the process will be issued new Airport permits to operate on the lower level from the Airport courtyards. Vans operating on the lower level will be allowed to pick up passengers on a pre-arranged basis and will have a 15-minute dwell time.

Mr. Roni Rosholz, All County Shuttle, requested that they be given enough time to react to the bid and process that was used. This information reached his client on Friday and he received it on Sunday. It was difficult for them to get together to review the information. They need to review the other bids in order to be able to comment on them and the methodology used. He pointed out that it took months

for the Airport to review the issue and for companies to submit their bids and they need a requisite number of days to review the results.

Mr. Michael Rubin, attorney for SFO Airport Shuttle Carriers Association, a consortium that will be formed in the event the bid is awarded to them. His clients did not receive their notice until Friday and he was not retained until Sunday. It was difficult to communicate and coordinate under this time frame. He said that without access to the proposals it was difficult for them to take particular aim at any aspects that may be unrealistic.

Mr. Rubin said that he could make some comments on the two operators who will receive the awards but will wait for the comment period and submit them in writing. He suggested that comments directed to Mr. Turpen rather than the Commission might delay the process.

Commissioner Murphy responded that that is the way it is supposed to be done.

Mr. Turpen assured Mr. Rubin that letters sent to him will not be edited but will be passed on to the Commission the same day they are received. For ease of communication he thought it was better for those persons who wanted to comment over the next two weeks to send the letters to his office and distribution would be made from there. Those individuals who are sensitive to or concerned about that can copy the Commission directly.

Mr. Turpen reiterated that this is only a Director's Report and no action is contemplated at this time. A resolution does not accompany this information. This is simply the Airport's way of putting public notice out of staff's recommendation to the Commission. Written comments are invited and will be accepted to close of business Monday, May 30. A decision will be made on June 15.

Mr. John Kindt, President of Prime Time Shuttle said that his company ranked third in the process. He suggested that there be a process where the top candidates would be interviewed. He deferred the rest of his remarks to written comment.

Ms. Ann Pougiales, representing American Airporter Shuttle said that her client came in last in the evaluation. She said that things are moving very precipitously and perhaps should be slowed down a bit. She believed that a procedure needs to be established whereby the bids that have been submitted can be circulated in time for them to comment and follow the Airport's procedure. She asked that such a procedure be announced at this meeting.

Ms. Pougiales said that she was concerned as to whether the Director and his staff properly applied the factors they said were going to determine the success of the bids received. Lorries came out no. 1 even though they operate in a manner which caused the Airport to write its July 16, 1991 letter of complaint to the PUC. The letter stated that the Airport was very unhappy with the operators who were using independent contractors and that this practice created problems at the Airport. Those problems included driver misconduct and failure to

adhere to Airport regulations. She felt it was odd that the no. 1 choice turns out to be a carrier that operates in that fashion.

Ms. Pougiales alerted the Commission to a number of legal challenges that could be made to this proposal, among them the need for CEQA review. This will create a major change in transporting passengers to and from the Airport to destinations throughout the Bay Area.

Commissioner Murphy did not understand why there would be CEQA review.

Ms. Pougiales responded that it would be a major change in the way passengers are transported between various points in the Bay Area and the Airport. The standards mentioned in the request for bids talk about 30-minute headways to the East Bay, 20-minute headways to the South Bay and 10-minute headways to San Francisco. That will mean a lot of vans on the road. Will they be filled with passengers from 10:00 AM to 11:00 PM to make it an environmentally sound proposal.

Ms. Pougiales also wondered if the Airports Commission was heading into a jurisdictional clash with the PUC. The PUC has state-wide authority to determine what transportation services are needed to meet the public necessity that is spoken to that issue by granting certificates to the various companies in the room and that have submitted bids. Implementing the proposed plan could put those people out of business.

Mr. Eldon Johnson, representing BayPorter Express, said his client is the principle four-county carrier at the Airport. They expected to score a little higher. The two carriers that were selected were basically San Francisco carriers. He said that there are other people who use the Airport and they feel that should be recognized.

Mr. Johnson asked to see the successful bids. They cannot comment until they do. They do not believe that some of the points given were appropriate. He said that even though BayPorter adopted Super Shuttle rates they were marked down for rates. He doesn't understand why. Their comments won't mean anything unless they have the bids.

Mr. Johnson believes BayPorter is a good carrier and they will do a better job in the East and South Bays than anyone else. They have done it so far in a competitive environment.

Mr. Johnson asked when they will be able to see the winning bids and if they will have time after that to make a meaningful response.

Mr. Turpen responded that it is not the Airport's intention, prior to bid award, to release individual proposals as they include proprietary information. Staff is prepared to sit down with BayPorter and go over their bid in detail to explain scoring. However, the proposals of the nine candidates will not be exposed.

Mr. Turpen said that the scoring was done by a committee. If Mr. Johnson has any questions as to how and why his company was ranked in the way it was, staff will be happy to address those questions. However, the other proposals will not be opened.

Mr. Johnson said that isn't fair. When they submitted their bid they knew it would be subject to all sorts of scrutiny. If someone has something to hide it should have been put out well in advance. He asked the Commission reconsider its position. He said they knew their bid was subject to review by anyone in the process. If a bid was submitted and included information marked "Secret ... Don't tell anybody," that isn't fair.

Mr. Rubin said that much of the proposal is of an operating nature which is, and should be public information. There is no reason why the proposal cannot be redacted.

Mr. Turpen responded that he would be willing to entertain that suggestion.

Mr. Rosholz joined in Mr. Rubin's request and said that to the extent that anyone wants to exclude information it is acceptable to them. It is critical that they review not the financial information but the criteria and the specific points allotted to various categories. That is the part they are having a difficult time justifying.

Ms. Pougiales said that as far as financial information is concerned, all carriers are required to file annual financial reports with the PUC and are matters of public information.

Commissioner Jeanpierre asked what the Airport's usual policy is on the dissemination of proposals.

Mr. Turpen said that to his knowledge the information is not release. The Airport requests sealed bids which are financially based or takes requests for proposals. We establish a process and invite people to participate in the development of that process. At the conclusion of the process the Airports Commission, through its staff, operates the Airport and makes decisions in the best interest of the Airport. It performs the evaluations objectively. If there is a concern about bias in the system or in the process staff is happy to talk about it. Staff can discuss the reason for its selection without revealing proprietary information. He said that it is not his intent to throw nine proposals on the table and invite the industry to come in and recast the vote.

Commissioner Jeanpierre asked if there was something in the RFP which could be construed or interpreted by bidders that would lead them to believe they could look at other bids.

Mr. Turpen said that there was not.

Commissioner Murphy asked Mr. Turpen to determine if there was a way to redact information.

Mr. Turpen said that when we embarked on this course we knew it would be sensitive. We also knew that we were faced with the spectre of a proliferation that the Airport could not physically accommodate.

Mr. Turpen said that staff tried to construct a process that was fair

and at the same time provide alternatives for those people who were not successful in the process. We think we've achieved both goals. Staff is available and ready to talk about this with a view toward helping people understand what ultimately happened.

* * *

E. ITEMS INITIATED BY COMMISSIONERS:

Commissioner Mattison asked what staff's thoughts were regarding the selection process on the first group of Master Plan projects. He said it was a remarkable project characterized by thoroughness. He hoped that the thoroughness would be communicated properly and the integrity of the process be examined and reconfirmed.

Commissioner Mattison said that he has received a few phone calls by firms that didn't make the list and are inclined to look askance at the process. These firms have done work for the Airport in the past yet they failed to make the short list. They may need to be more thoroughly apprised of the process as it specifically relates to their submittal.

Commissioner Mattison said that he has talked about this to a number of people and he is convinced that there is no hidden agenda. The process is fundamentally different from a typical presentation of qualifications that goes into an architectural selection process. The number of firms involved was mind boggling. He is convinced that there is no perfect process.

Commissioner Mattison knew that there are multiple goals, not necessarily favoring the larger, more powerful firms, the ones normally expected to make up a short list. The notion of emphasizing customer satisfaction above all other criteria based on actual project work is a rare centerpiece of our selection process. He finds a lot of merit in that but he also finds the need to try to make sure we minimize aberrations in matching firms that made the short list with the jobs for which they are designated. Clearly, there are a lot of small firms on the short list that are not equally staffed. One could conclude that there are large firms with strong reputations and track records that didn't make the list and they're looking at the process and wondering why their firm didn't make it while a small two-person firm is listed for four projects.

Commissioner Mattison thought that this would be the appropriate time to review how the selection activity occurred and share some thoughts as where we go from here.

Mr. Turpen explained that 800 firms expressed an interest in working on the Master Plan. That number was reduced to 617 serious contenders. Those contenders were rank-ordered based on the process Commissioner Mattison briefly covered. That list was further reduced to a more manageable number of 80. Those 80 firms will form a pool from which we will select firms for 43 projects in Phase I of the Master Plan effort. There will be a subsequent process for approximately 40 to 45 projects in Phase II.

Mr. Turpen said that at the conclusion of the process the Airport received

four phone calls from concerned firms. After having talked to them, to staff and members of the Commission he will put together a briefing paper on the process itself. The process has taken such a long time that he felt that certain elements got lost. A draft document has been prepared, reviewed and shared with the Commission. If the Commission agrees, the document will be made available. This document covers the thinking, the process and exactly how everything was done, as well as the measures by which firms were evaluated, how the rank ordering was determined and why the number 80 was chosen.

Mr. Turpen said that this document will provide answers to 90 percent of the people who have questions. To the other 10 percent it will provide a foundation upon which to base discussions if they feel that during the evaluation process there was some part of it that was not correct.

Mr. Turpen assured the Commission that everything was done with a view toward being absolutely objective. An independent auditing firm was brought in to validate our calculations of the rank orderings.

Commissioner Mattison asked if there had been an attempt to categorize large firms with large project capability and small firms with smaller capability. He was trying to understand the issue of customer satisfaction. A firm that has 1,000 clients will look differently from a firm with four or five clients. It seems an odd reversal of a typical conclusion.

Mr. Turpen said that half of the 80 firms are comprised of minority/women firms. Staff was also looking for the ability of firms, regardless of size, to possibly qualify as primes and joint ventures with other firms. One of the complaints that has historically come from minority firms is there inability to qualify and actually put their name on a project. Part of this process is designed to try and allow firms in based on what they have done. With 80 firms and 43 projects of varying sizes it gives staff an opportunity to go back and revisit the list to determine suitability for various projects based on their status today as opposed to what their status was three or four years ago when they contacted us.

Mr. Gene Bordegaray, Administrator, Bureau of Design and Construction said that the size of the firm was taken into account as much as past performance. The firms range from small to very large.

Commissioner Murphy assumed that capacity to perform was still considered.

Mr. Bordegaray responded that capacity to perform will be considered on the second part of the interview process.

Commissioner Mattison said that now that the short list has been established staff will go back and take the projects that each firm was earmarked to be theoretically qualified for and determine whether the firm can complete the project alone or need to form a joint venture.

Commissioner Mattison asked if these small firms would then become courted by the larger firms. He asked if this would present an opportunity for the 600 companies not on the short list to try to form joint ventures.

Mr. Bordegaray responded that the joint venture can go outside of the short list. Any short listed firm wishing to joint venture with a non-short listed firm can do so as long as they have been scored by our panel.

Commissioner Mattison asked if that would bias them vis a vis two short listed firms making a joint venture.

Mr. Bordegaray responded that the two scores would be averaged out to determine where they would rank.

Commissioner Murphy said that the main point is that firms have not been told that they can only joint venture with other firms on the short list.

Mr. Turpen said that that is correct. There is no restriction on joint venturing with any scored firm.

Mr. Bordegaray said that that was correct. Sub-consultants can be any firm that is interested.

Commissioner Jeanpierre asked if only four complaints were received out of 800 firms.

Mr. Turpen responded that he has received four complaints. Of the four complaints, two were an informational misunderstanding. Those have been cleared up. There are two firms that have not yet been satisfied.

Commissioner Mattison assumed that the project that each firm is preliminarily designated to be eligible for is not set in concrete. The matrix indicates that these firms are designated for these projects. Is that the entire population of primes for those projects?

Mr. Bordegaray responded that it is.

* * *

F. ITEMS RELATING TO ADMINISTRATION, OPERATIONS & MAINTENANCE:

Item no 2 was adopted unanimously.

2. Approval of Architectural, Engineering and Project Costs

No. 93-0098

Resolution approving certain design work, engineering studies, and project costs of selected near-term Master Plan projects.

Commissioner Murphy said that as we progress in this process it would be easier for the Commission if were included in these items illustrating the locations of these projects.

Mr. Turpen said that Lot DD is located at the North end near the United Airlines Maintenance Operations Center.

Mr. Turpen said that this item approves the initial architectural design costs as well as the A&E costs for the parking structure.

Ms. Angela Gittens, Deputy Director for Business and Finance added that the parking structure is the entire project.

Commissioner Murphy asked if we have a tenant for the structure.

Mr. Turpen responded that we have a tenant, they just haven't recognized it yet. He will meet with Mr. Wolfe on Tuesday. That meeting will finalize all of this.

Item no. 3 was removed from calendar.

3. Approval of Issue 5 Bonds and Official Documents

Two resolutions to approve the form of official statement and notice of sale, supplement 1991 Master Bond resolution and authorize official action.

Item no. 4 was adopted unanimously.

4. City of South San Francisco - Home Insulation Funding - FY1993/94 (\$375,000.00)

No. 93-0099

Mr. Turpen explained that this initiates part of the MOU commitment.

Item no. 5 was adopted unanimously.

5. DFS-West International Terminal Duty Paid Principal Concession Lease Extension

No. 93-0100

Resolution authorizing extension of DFS-West International Terminal Duty Paid Principal Concession lease.

Mr. Benny Tan, Tan Enterprises, said that he has a small business sublease under DFS. It has been the most successful DBE participation lease. DFS has been very fair to its DBE's. He urged the Commission to extend the lease.

Ms. Donnetta Stafford, Western Motives urged the Commission to adopt the extension. She said that the DFS has the most successful DBE program at SFO, if not the nation. The DBE's have been allowed to operate independently and to share DFS's skills and expertise. As a result they have operated above the MAG for nine years of a 10 year

lease. It has also allowed them to move ahead with other viable business projects at the Airport.

Ms. Susan Heller, Heller-Roberts also urged the Commission to approve the extension. Business is soft and the time period is short. She said that the affirmative action program implemented by DFS has been very successful. Never once in ten years did she have to approach Airport staff with any complaints ... they were all resolved with the staff.

Mr. Turpen said that we face the spectre of a very short bid vis a vis the relocation of the International carriers. We've embarked on a program which covers several agenda items before the Commission today to bridge that period of time. This is the first of a number of these the Commission will see as we begin to position ourselves for the new International Terminal.

Commissioner Murphy assumed that the extension ratchets the MAG up to the level that they are currently operating.

Mr. Turpen said that that was correct, as well as the CPI adjustments.

Item nos. 6, 7 and 8 were called together and were put over.

6. Boarding Areas 'B' and 'C' Principal Concession Retail Lease

Resolution authorizing staff to conduct a Pre-Bid Conference for Boarding Areas 'B' and 'C' Principal Concession Retail Lease and hold over Host International, Inc., on a month-to-month basis.

7. Boarding Area 'A' Retail Concession Lease A-1

Resolution authorizing staff to conduct a Pre-Bid Conference for Boarding Area 'A' Retail Concession Lease A-1.

8. Boarding Area 'A' Retail Concession Lease A-2

Resolution authorizing staff to hold a Pre-Bid Conference for Boarding Area A Small Business Enterprise Retail Concession Lease A-2.

Commissioner Murphy asked Mr. Bob Kattengell of Host International if he wished to address the Commission. Mr. Kattengell declined.

Mr. Turpen said that this is a continuation of a philosophy of

carry-overs. Negotiations on this issue have not yet concluded in a manner that would cause him to recommend an extension at this time. Time is important to the Airport in this matter.

Mr. Turpen recommended moving ahead with the pre-bid conference so that we can begin to position ourselves for a change-over, if that has to take place, while recognizing that staff would like to work out an accommodation which would be beneficial to the City and the Airport. In the interim, if an equitable accommodation with Host is reached he will return to the Commission.

Commissioner Murphy suggested putting the item over.

Mr. Turpen noted that time is a problem. The process can begin with the preparation of pre-bid activities. If this doesn't bare fruit in the next 30-60 days it won't bare fruit and we will be 60 days into the future. Staff is requesting permission to hold pre-bids for item nos. 6, 7 and 8.

Mr. Turpen said that a pre-bid conference will give an indication of the market. If the Commission wants to wait, staff will do so.

Ms. Gittens said that Host had agreed to carry over from the June 30 period on a month-to-month pending re-bid. As that would be on percentage only, we would not want to hold over for longer than necessary.

Commissioner Murphy asked that the items be put over to the next meeting.

Commissioner Mattison agreed.

Mr. Turpen recommended putting it over until June 15 at which time the Commission can take action if an alternative proposal fails to materialize.

9. Approval of Second Amendment to Aircraft Noise Mitigation Agreement with South San Francisco

No. 93-0101

10. Fixed Base Operations Services Lease - Pre-Proposal Conference

No. 93-0102

Resolution authorizing staff to hold a Pre-Proposal Conference for the Fixed Base Operations Services Lease.

Mr. Turpen explained that this is a 40 year lease which expires in 1994. We are moving ahead on this now because of the master plan. We would like to put the pre-bid process in motion with a view toward reconstruction and relocation of the fixed base operation. Having a

successful candidate on board early is very helpful to us in that process.

11. Modification No. 2 of Agreement between City and County of San Francisco and Brown Consulting Groups

No. 93-0103

Mod. No. 2 of Management Consultant Agreement with Brown Consulting Groups to enlarge the scope of management development services to include the entire Operations Division, increase funding not to exceed \$150,000 in fees plus \$36,000 in expenses and applicable tax and extend term of the agreement.

Mr. Turpen explained that this has been a beneficial effort in management development at the Airport. The work done with the Airport Police Department has been excellent. It is important to continue this effort in other areas to develop some management identification among the middle level managers.

12. Approval of Agreement with the Law Firm of Richard Jordan to Provide Legal Services for Worker's Compensation Matters - \$25,000.00

No. 93-0104

* * *

G. CONSENT CALENDAR OF ROUTINE ADMINISTRATIVE MATTERS:

Item nos. 13 and 15 through 25 were adopted unanimously. Item no. 14 was put over.

13. Modification No. 2 to Agreements with HMH Incorporated and Towill Inc. to Extend Contracts for Phase III Land Survey Services

No. 93-0105

Resolution approving one-year extension of contract to complete all topographical survey for future development under the Master Plan. Budget per contract to complete this next phase: \$100,000.

Item no. 14 was put over.

14. Substitution and Addition of Subcontractor Request for Contract 2394 - Transformer Replacement Station BQ and Contract No. 3143R - Airfield Access Control

15. Substitution of Subcontractor - Contract 2349C
Conversion of Two Restrooms for the Disabled - Engineering Building
- No. 93-0106 Resolution approving S. Pellegrino & Sons as tile subcontractor for Contract 2349C, conversion of two restrooms for the disabled at the Engineering Bldg.
16. Southwest Airlines - Rental Credit for Improvements to Hangar 7S
- No. 93-0107 Resolution authorizing a rental credit to Southwest Airlines for unamortized improvements made to Hangar 7S in the amount of \$13,893.42.
17. Foreign Currency Exchange Lease - Design Approval
- No. 93-0108
18. Extension of Interim Agreement with the San Francisco Foreign Flag Carriers to Provide Curbside Attendants Through May 31, 1993
- No. 93-0109 Resolution authorizing extending an interim agreement with SFFFC to provide curbside attendants from International Total Services (ITS) thru May 31, 1993, and authorizing a delay in the start date of Pacific State Airline Services' contract to provide curbside attendants until June 1, 1993.
19. The Parry Contract
- No. 93-0110 Contract for The Parry Co. to produce four noise impact area contours to be used on the Quarterly Report and the Roundtable. Contract also provides for appearances by Parry Co. representatives to substantiate the noise contours (\$30,000).

Commissioner Mattison asked if this was a known firm.

Mr. Turpen responded that they have been performing this service for us since at least the middle 70's. They are well known to the local community. Their job is to develop noise contours and determine impacted homes. Their work has been well received. He felt that in

this case staying with a firm that is known in the affected community is important. Their work has always been technically correct and meets all expectations and requirements.

Mr. Turpen explained that the Airport provides them with the information and they create the contour map.

Commissioner Jeanpierre asked where the company was located.

Mr. Turpen responded that they are located in Seattle.

20. Shuttle Bus Service Agreement #68252, Adjustment #11

No. 93-0111	Resolution setting the 1993 basic and incremental hourly rates pursuant to section 5 (c) of the agreement.
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21. Extension of Shuttle Bus Agreement #68252

No. 0112	Resolution extending Agreement #68252 on a year to year basis for a period of up to five years pursuant to Section 3 (c) of the Agreement.
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22. Declaration of Emergency - Contract 3249
Emergency Asbestos Removal - Lower Roadway Lights

No. 93-0113	Resolution ratifying the action of the Commission President in declaring an emergency and authorizing necessary work.
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23. Gift of Aviation Aerial Photographs from Robert Cameron

No. 93-0114	Resolution to approve acceptance of gift of aviation aerial photographs valued at \$1000.00 from Robert Cameron.
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24. Travel/Training for FY 1992/93

No. 93-0115

25. Resolution Ratifying Personnel Actions

Resolution, in accordance with the requirements of San Francisco City Charter Section 3.501, ratifying and approving certain personnel actions taken by the Director of Airports.

* * *

H. NEW BUSINESS:

Mr. Turpen said that Ms. Shelley Kessler of the San Mateo Labor Coalition wanted to publicly express the Coalition's appreciation for the cooperation they received with the rally held at the Airport and indicated that she would be communicating that directly to the President of the Commission. Ms. Kessler had to leave to attend another meeting.

* * *

I. CORRESPONDENCE:

There was no discussion by the Commission.

* * *

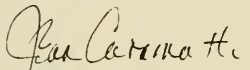
J. CLOSED SESSION:

The Airports Commission will go into closed session in accordance with Government Code Section 54956.9(a)(1) to discuss pending litigation entitled Allders International, Ltd. v Airports Commission, C&CofSF.

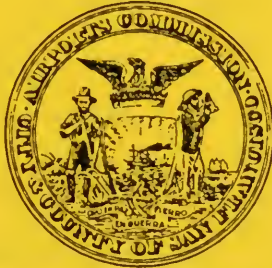
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K. ADJOURNMENT:

There being no further calendared business before the Commission the meeting adjourned at 9:58 to go into closed session.


Jean Caramatti
Commission Secretary

SAN FRANCISCO AIRPORTS COMMISSION



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MINUTES

JUNE 15, 1993

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MARIE K. BROOKS

LOUIS A. TURPEN

Director Of Airports

**SAN FRANCISCO INTERNATIONAL AIRPORT
SAN FRANCISCO, CALIFORNIA 94128**

Index
of the Minutes
Airports Commission

June 15, 1993

<u>CALENDAR SECTION</u>	<u>AGENDA ITEM</u>	<u>TITLE</u>	<u>RESOLUTION NUMBER</u>	<u>PAGE</u>
A.		CALL TO ORDER:		3
B.		ROLL CALL:		3
C.		ADOPTION OF MINUTES:		
		Regular meeting of May 18, 1993	93-0117	3
D.		ITEMS INITIATED BY COMMISSIONERS:		
		O'Hare Airport's Rail System		3
E.		ITEMS RELATING TO ADMINISTRATION, OPERATIONS & MAINTENANCE:		
	1.	Boarding Areas B and C Principal Concession Retail Lease	93-0118	4
	2.	Boarding Area A Retail Concession Lease A-1	93-0119	4
	3.	Boarding Area A Retail Concession Lease A-2	93-0120	4
	4.	Request of Aeroflot Russian Intern'l Airlines for Mod. of Variance from Noise Abatement Regulation	93-0121	5
	5.	Authorize Bid Call: International Terminal Connector Hair Salon Lease	93-0122	5
	6.	Award Contract 3184: Environmental Clean-Up II - Professional Services Contract	93-0123	5-6
	7.	Airport Improvement Program Project Application	93-0124	6
	8.	Award of Annual Report Contract	93-0125	6
	9.	Water Conservation Program	93-0126	7

F.	CONSENT CALENDAR OF ROUTINE ADMINISTRATIVE MATTERS:		
10.	Mod. No. 10 of Agreement with Hanson, Bridget - Increase Contract Amount	93-0127	7
11.	Subcontractor Substitution - Contract 1011C - Reconstruct Taxiway "C" to Plot 50	93-0128	7-8
12.	Award Contract 3240: Gates 52 & 54 Apron Concrete Slab Stabilization		8
13.	Bid Call: Contract 3256 - Airport Fuel Systems Improvements, 1993-1994	93-0129	8
14.	Bid Call: Contract 3236 - USO Relocation - South Terminal Mezzanine	93-0130	8
15.	Type II Mod. - Contract 1011C - Reconstruct Taxiway C to Plot 50	93-0131	8
16.	Renew Airport Information Booth Agreement	93-0132	8
17.	Issue RFP for Airport Employment Examination Provider	93-0133	8
18.	Travel/Training FY 1992/93	93-0134	9
19.	Travel/Training FY 1993/94	93-0135	9
20.	Retirement Resolutions: Charles George Ralph Munowitch	93-0136 93-0137	9
G.	NEW BUSINESS:		9
H.	CORRESPONDENCE:		9
I.	CLOSED SESSION:		
	Allders		9
	Millbrae, Brisbane; Koll Co. Sierra Point Assoc. Two		9
J.	ADJOURNMENT:		9
	Minutes, June 15, 1993, Page 2		

Minutes
of the
Airports Commission Meeting

June 15, 1993

A. CALL TO ORDER:

The regular meeting of the Airports Commission was called to order at 9:00 A.M. in Room 282, City Hall, San Francisco, Ca.

* * *

B. ROLL CALL:

Present:	Patrick A. Murphy, President J. Stanley Mattison, Vice President James K. Ho Marie K. Brooks
Absent:	L. Andrew Jeanpierre

* * *

C. ADOPTION OF MINUTES:

The minutes of the regular meeting of May 18, 1993 were adopted by order of the Commission President.

No. 93-0117

* * *

D. ITEMS INITIATED BY COMMISSIONERS:

Commissioner Mattison said that he recently had the opportunity to ride the new system in Chicago and American's loop tram in Dallas. Both systems are impressive in their technology and two-minute headways. The stations are extremely impressive. He felt that the tracking will need a lot of improvement. He said that the O'Hare system was kept very simple.

Mr. Turpen said that O'Hare's system has been well received.

Commissioner Mattison said that announcements are made every three minutes stating that shuttles no longer serve the outer parking lots.

Commissioner Murphy said that when he was in Atlanta last week he spent the better part of two days walking to and from gates and riding hot, over-crowded trams.

E. ITEMS RELATING TO ADMINISTRATION, OPERATIONS & MAINTENANCE:

Item nos. 1 through 3 were called together and unanimously adopted.

1. Boarding Areas "B" and "C" Principal Concession Retail Lease

No. 93-0118

Resolution authorizing staff to hold a Pre-Bid Conference for Boarding Areas "B" & "C" Principal Concession Retail Lease and hold over Host on a month-to-month basis.

2. Boarding Area "A" Retail Concession Lease A-1

No. 93-0119

Resolution authorizing staff to hold a Pre-Bid Conference for Boarding Area "A" Retail Concession Lease A-1.

3. Boarding Area "A" Retail Concession Lease A-2

No. 93-0120

Resolution authorizing staff to hold a Pre-Bid Conference for Boarding Area "A" Small Business Enterprise Retail Concession Lease A-2.

Mr. Turpen said that when this matter came before the Commission 30 days ago the Commission requested additional time to allow Host to come to some agreement in extending certain portions of the package. As no agreement materialized, staff recommends proceeding.

Commissioner Brooks asked for an explanation of the percentage of rent on the holdover.

Ms. Angela Gittens, Deputy Director, Business and Finance responded that the holdover rent will be 20 percent instead of the minimum annual guarantee on a monthly basis.

Commissioner Brooks assumed that we will have to move quickly.

Ms. Gittens agreed.

Commissioner Brooks asked about the 90 day wait.

Ms. Gittens responded that staff believes this can be bid by November. We try not to have concession holdovers during the holiday period. We have a positive date of January 12 for all of the concessions to open.

Item nos. 4 and 5 were adopted unanimously.

4. Request of Aeroflot Russian International Airlines for Modification of Variance from Noise Abatement Regulation

No. 93-0121

Mr. Turpen said that this has been well documented over time. Although the Russian government is attempting to secure compliant aircraft, there are many difficulties. The State Department continues to see this as being in the policy interest of the United States.

Commissioner Brooks asked if this has any effect on the Airport as far as the FAA or MOUs with the communities.

Mr. Turpen responded that it does not. The communities understand the situation. This process is part of the Commission's noise regulation.

Commissioner Murphy added that the absence of a Noise Committee representative tells us all we need to know. If it were a major U.S. carrier it would and should be another matter.

5. Authorization to Accept Bids for the International Terminal Connector Hair Salon Lease

No. 93-0122

Resolution approving lease specs and authorizing Director to receive bids for the Hair Salon Lease.

Mr. Turpen said that this space is located in the connector between the North and International Terminals. The space has been reduced but all services will remain the same as in the current lease.

Commissioner Mattison was recused from participating and voting on Item No. 6. Item No. 6 was unanimously adopted.

6. Award of Contract No. 3184 - Environmental Clean-Up II Professional Service Contract

No. 93-0123

Resolution awarding Contract 3184 to Kennedy Jenks in association with AGS, Inc. in the amount of \$500,000.00

Mr. Turpen said that this is the third in a series of contracts to perform environmental analysis in anticipation of moving forward with the Master Plan.

Mr. Dennis Bouey, Deputy Director, Facilities Operations and Maintenance explained that this contract includes the Qantas Hangar, flight kitchen and the west end of Boarding Area B, if there is enough money.

Commissioner Brooks asked if the selection process criteria included personal contact with former customers of the contractors.

Mr. Bouey responded that that is probably the most important criteria. Past performance on airports is included as well.

Commissioner Mattison asked to be recused from participating on this item as he is currently under contract with the recommended firm.

The Commission voted unanimously to recuse Commissioner Mattison.

Item nos. 7 through 9 were adopted unanimously.

7. Airport Improvement Program Project Application

No. 93-0124 Resolution authorizing Director to file a Project Application for construction & repair of Taxiways C, F, J, T, and X & overlay and repair of Runway 1L-19R.

Mr. Turpen explained that we are applying for \$13-million for airfield work in various locations for this fiscal year.

Commissioner Brooks asked if this is available every year.

Mr. Turpen responded that it is.

Commissioner Brooks asked if it must come before the Commission and the Board of Supervisors every year.

Mr. Turpen responded that every grant must be approved.

Mr. Bouey added that we have received \$10-million of the \$17.7-million which was in dispute over the Q707.

Mr. Turpen added that he has been talking with the FAA about the remainder of those funds and hopefully will return to the Commission with a resolution within the next 30 days.

8. Award of Annual Report Contract

No. 93-0125 Resolution exercising option to award contract to Morla Design to produce the Airport's 1993 Annual Report.

Mr. Turpen said that Morla Design did an outstanding job last this. The theme this year will most likely be the Airport as an economic regional asset of the Bay Area.

9. Water Conservation Program

No. 93-0126

Adopting resolution to initiate a voluntary Water Conservation Program.

* * *

F. CONSENT CALENDAR OF ROUTINE ADMINISTRATIVE MATTERS:

Item No. 12 was removed from the calendar. Item Nos. 10, 11 and 13 through 20 were unanimously adopted.

10. Modification No. 10 of Agreement with Hanson, Bridgett, Marcus, Vlahos & Rudy to Increase Contract Amount

No. 93-0127

Resolution approving Mod. No. 10 of Agreement with Hanson, Bridgett et al to increase the compensation payable by the sum of \$300,000.00; all other terms and conditions of the Agreement to remain in full force and effect.

Commissioner Brooks asked how much money was included in the original contract and how much time the additional \$300,000 will cover.

Ms. Mara Rosales, Airports General Counsel responded that this contract is modified by amount, not time. The original contract was struck in 1987. The initial funding was for \$120,000.

Commissioner Murphy believed that Commissioner Brooks was asking how much law we were buying for \$300,000, measured in units of time.

Ms. Rosales estimated that this contract should take us at least through the end of this year. We are working at approximately \$400,000 per year.

Mr. Turpen added that part of the problem has been the impact of Proposition D. Not only has that impacted the City financially in terms of collective bargaining agreements where previously salary standardization was employed, but it has now cast us in a roll of negotiating the contracts and there are costs attendant to that.

Commissioner Brooks assumed that as far as personnel problems are concerned, we do have policies and procedures in place to assist.

Mr. Turpen responded that we handle the majority of those in house although there are times, depending on the volume of cases, when outside counsel is called in. Recently, we have not had to rely on outside counsel as much.

11. Subcontractor Substitution - Contract 1011C
Reconstruct Taxiway "C" to Plot 50

Minutes, June 15, 1993, Page 7

12. Award of Contract 3240
Gates 52 & 54 Apron Concrete Slab Stabilization

Resolution awarding Contract 3240,
Gates 52 and 54 apron concrete slab
stabilization to Pan-Marine
Construction in the amount of \$65,000.

13. Bid Call - Contract 3256
Airport Fuel Systems Improvements, 1993 - 1994

No. 93-0129

Adopt resolution approving scope,
budget, schedule for Contract 3256 and
authorizing Director of Airports to
call for bids when ready.

14. Bid Call - Contract 3236
USO Relocation - South Terminal Mezzanine

No. 93-0130

Resolution approving scope, budget and
schedule for Contract 3236 and
authorizing Director of Airports to
call for bids when ready.

15. Type II Modification - Contract 1011C
Reconstruct Taxiway "C" to Plot 50

No. 93-0131

16. Renewal of the Airport Information Booth Agreement

No. 93-0132

Resolution approving renewal of Agree-
ment with Polaris Research & Develop-
ment for operation of the Airport
Information Booth Program, effective
Oct. 15, 1993 thru Oct. 14, 1994.

17. Issuance of Request for Proposal for Airport Employment Examination
Provider

No. 93-0133

18. Travel/Training for Fiscal Year 1992/93

No. 93-0134

19. Travel/Training for Fiscal Year 1993/94

No. 93-0135

20. Retirement Resolutions

No. 93-0136

No. 93-0137

Resolutions for the retirement of
Charles George and Ralph Munowitch.

* * *

G. NEW BUSINESS:

There was no new business.

* * *

H. CORRESPONDENCE:

There was no discussion by the Commission.

* * *

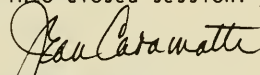
I. CLOSED SESSION:

The Airports Commission will go into closed session in accordance with Government Code Section 94956.9(a)(1) to discuss pending litigation entitled Ailders International, Ltd. v Airports Commission, C&CofSF.

* * *

J. ADJOURNMENT:

There being no further calendared business before the Commission the meeting adjourned at 9:25 AM to go into closed session. .


Jean Caramatti
Commission Secretary

SAN FRANCISCO AIRPORTS COMMISSION



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MINUTES

JULY 20, 1993

FRANK M. JORDAN, MAYOR

COMMISSIONERS

PATRICK A. MURPHY
President

J. STANLEY MATTISON
Vice President

L. ANDREW JEANPIERRE

JAMES K. HO

MARIE K. BROOKS

LOUIS A. TURPEN

Director Of Airports

SAN FRANCISCO INTERNATIONAL AIRPORT
SAN FRANCISCO, CALIFORNIA 94128

Index
of the Minutes
Airports Commission

July 20, 1993

<u>CALENDAR SECTION</u>	<u>AGENDA ITEM</u>	<u>TITLE</u>	<u>RESOLUTION NUMBER</u>	<u>PAGE</u>
A court reporter's transcript of this meeting is available upon request.				
A.		CALL TO ORDER:		4
B.		ROLL CALL:		4
C.		ADOPTION OF MINUTES:		
		Regular meeting of June 15, 1993	93-0138	4
D.		DIRECTOR'S REPORTS:		
	1.	BART to the Airport		4
	2.	State Legislation		4
	3.	Review Proposed SFO Trip Reduction Rule & Delegation of Regional Trip Reduction Rule to Airport		4-5
E.		ITEMS INITIATED BY COMMISSIONERS:		5
F.		POLICY:		
	4.	Establish Airport Water Rates	93-0139	5
G.		ITEMS RELATING TO ADMINISTRATION, OPERATIONS & MAINTENANCE:		
	5.	San Mateo County Home Insulation Project (FY93/94 - \$250,000)	93-0140	5
	6.	City of Daly City Home Insulation Project (FY93/94 - \$250,000)	93-0141	5-6
	7.	Host Food & Beverage Lease - Facility Package #8	93-0142	6
	8.	Award Sixth On-Airport Auto Rental Service Concession Agreement	93-0143	6
	9.	Candidates for New International Terminal Design Competition	93-0144	6

10.	Award Door-to-Door Van Service Agreements	6
H.	<p>CONSENT CALENDAR OF ROUTINE ADMINISTRATIVE MATTERS:</p>	
11.	Award Contract 2241B: Reconstruct Dike at Taxiway C & L, Phase VI 93-0145	7
12.	Award Contract 3048: Lower Level Intern'l Terminal Exterior Wall Improvement 93-0146	7
13.	Issue RFP - Airport Psychological Examiner 93-0147	7
14.	Award Contract 3240: Gates 52 & 54 Stabilize Apron Concrete Slab 93-0148	7
15.	Bid Call - Contract 3146 - Replace Carbon Monoxide Monitor Equipment - Parking Garage 93-0149	7
16.	Type I Mods. Budget Increase: Fuel System Remediations & Improvements Contract 3040 - 1991-1992 93-0150	7
17.	Substitute Subcontractor: Contract 3143R & 2394 - Replace Transformer Station BQ; Contract 3143R - Airfield Access Control 93-0151	7
18.	Legal Services Agreements: Provide Litigation Services & Construction Law on Construction Projects, Including Airport Master Plan Projects 93-0152	8
19.	Mod. - Airport Service Contract 93-0153	8
20.	Retirement Resolutions: Annie Chin Jew 93-0154 Lillian Lai-Kam Eng 93-0155	8
21.	Ratify Personnel Actions 93-0156	8
I.	<p>PUBLIC HEARING:</p>	
22.	FY 1993/94 Rates & Charges	8
J.	<p>NEW BUSINESS:</p>	
K.	<p>CORRESPONDENCE:</p>	
	Minutes, July 20, 1993, Page 2	9

L.

CLOSED SESSION:

Pending Litigation: Alders

9

M.

ADJOURNMENT:

9

Minutes
of the
Airports Commission Meeting

July 20, 1993

A court reporter's transcript of this meeting is available upon request.

A. CALL TO ORDER:

The regular meeting of the Airports Commission was called to order at 9:02 A.M. in Room 282, City Hall, San Francisco, Ca.

* * *

B. ROLL CALL:

Present:	Patrick A. Murphy, President J. Stanley Mattison, Vice President L. Andrew Jeanpierre James K. Ho
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Absent:	Marie K. Brooks
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* * *

C. ADOPTION OF MINUTES:

The minutes of the regular meeting of June 15, 1993 were adopted by order of the Commission President.

No. 93-0138

* * *

D. DIRECTOR'S REPORTS:

1. BART to the Airport - Oral Report
2. State Legislation - Oral Report
3. Review of Proposed SFO Trip Reduction Rule and Delegation of the Regional Trip Reduction Rule to the Airport

Authorize staff to meet with Airport
tenants to review Airport's Proposed

Trip Reduction Rule, and authorize staff to seek delegation from the Bay Area Air Quality Management District (BAAQMD) to establish Trip Reduction Rules (Required for Large Employers).

* * *

E. ITEMS INITIATED BY COMMISSIONERS:

There were no items initiated by Commissioners.

* * *

F. POLICY:

Item no. 4 was adopted unanimously.

4. Policy Establishing Airport Water Rates

No. 93-0139

* * *

G. ITEMS RELATING TO ADMINISTRATION, OPERATIONS & MAINTENANCE:

Item nos. 5 through 9 were adopted unanimously.

5. County of San Mateo Home Insulation Project (FY93/94 - \$250,000)

No. 93-0140

Resolution authorizing expenditure of funds by Director to insulate approximately 21 residences and 4 churches in San Mateo County for FY93/94. \$250,000 expenditure limited to the following:

- a. 20% of building insulation costs for each unit.
- b. Subject to granting a Noise Easement to C&CoSF for each unit insulated.

6. City of Daly City Home Insulation Project (FY93/94 - \$250,000)

No. 93-0141

Resolution authorizing expenditure of funds by Director to insulate approximately 100 residences in the City of

Daly City for FY93/94. \$250,000
expenditure limited to the following:

- a. 20% of building insulation costs for each unit.
- b. Subject to granting a Noise Easement to C&CofSF for each unit insulated.

7. Host Food and Beverage Lease - Facility Package #8

No. 93-0142	Resolution approving Host Sublease of the Patio Restaurant, International Terminal, to Western Sports Enterprises, Inc.
-------------	---

8. Award Sixth On-Airport Automobile Rental Service Concession Agreement

No. 93-0143	Resolution awarding Sixth On-Airport Automobile Rental Service Concession Agreement to Alamo Rent-A-Car, Inc.
-------------	---

9. Candidates for the New International Terminal Design Competition

No. 93-0144	Resolution to approve the nomination of candidates for the New International Terminal Design Competition and authorize Director to award a \$15,000 informal contract to each candidate.
-------------	--

Item no. 10 was put over to September 7, 1993.

10. Award of Door-to-Door Shuttle Van Service Agreements

Resolution awarding the two Door-to-Door Shuttle Van Service Agreements to Lorrie's Travel and Tours, Inc. and SuperShuttle of San Francisco, Inc.

* * *

H. CONSENT CALENDAR OF ROUTINE ADMINISTRATIVE MATTERS:

Item nos. 11 through 21 were adopted unanimously.

11. Award of Contract No. 2241B
Dike Reconstruction Along Taxiways "C" & "L", Phase VI
No. 93-0145 Resolution awarding Contract 2241B to Dutra Construction, Inc. in the amount of \$1,748,500.00.

12. Award of Contract No. 3048:
International Terminal Lower Level Exterior Wall Improvement
No. 93-0146 Resolution awarding Contract 3048 to Agbayani Construction, Inc. in the amount of \$128,000.00.

13. Issue a Request-for-Proposal for an Airport Psychological Examiner
No. 93-0147 Issue Request-for-Proposal for Airport Psychological Examiner Personal Services Contract for \$75,000.

14. Award of Contract No. 3240
Gates 52 & 54 Apron Concrete Slab Stabilization
No. 93-0148 Resolution awarding Contract 3240 to Pan-Marine Construction, Inc. in the amount of \$65,600.00.

15. Bid Call - Contract No. 3146
Replacement of Carbon Monoxide Monitor Equipment - Parking Garage
No. 93-0149 Resolution to approve scope, budget and schedule of Contract 3146 and authorize Director to call for bids when ready.

16. Type I Modifications - Budget Increase - Contract No. 3040
Fuel Systems Remediations and Improvements 1991-1992
No. 93-0150 Resolution approving a Type I Modification for budget increase from \$21,100 to \$56,200 for Contract 3040.

17. Substitute Subcontractor - Contract Nos. 3143R & 2394 - Transformer Replacement Station BQ and Contract 3143R - Airfield Access Control
No. 93-0151

18. Approve Legal Service Agreements for Construction Law and Litigation Services on Construction Projects, Including Master Plan Projects

No. 93-0152

Approving agreements with law firms: Arnelle & Hastie; Bronson, Bronson & McKinnon; Gordon & Rees; Gutierrez & Assoc.; Lempres & Wulfsberg; McGee, Lafayette, Willis & Greene; Nossaman, Guthner, Knox & Elliot - \$50,000. each, to provide construction & litigation service re construction-related issues, including Airport Master Plan projects.

19. Modification of Airport Services Contract

No. 93-0153

Resolution authorizing modification of personal services contract by extending the term for six months (July 1, 1993 thru December 31, 1993, and increasing the amount by \$40,000.00.

20. Retirement Resolutions for Lillian Lai-Kam Eng and Annie Chin Jew

No. 93-0154

21. Resolution Ratifying Personnel Actions

No. 93-0155

Resolution, in accordance with the requirements of San Francisco City Charter Section 3.501, ratifying and approving certain personnel actions taken by the Director of Airports.

* * *

I. PUBLIC HEARING:

The Public Hearing was convened at 12:26 PM and closed at 12:27 PM, there being no requests from the public to speak.

22. Hearing on Fiscal Year 1993/94 Rates and Charges

(1) Proposed terminal rental rates, jet bridge use fees, in-transit lounge fee, landing fees, and wastewater/ sewage/ treatment fees for FY93/94.

(2) Proposed charges for water service.

* * *

J. NEW BUSINESS:

There was no discussion by the Commission.

* * *

K. CORRESPONDENCE:

There was no discussion by the Commission.

* * *

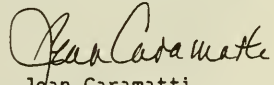
L. CLOSED SESSION:

The Airports Commission will go into closed session in accordance with Government Code Section 94956.9(a)(1) to discuss pending litigation entitled Allders International, Ltd. v Airports Commission, C&CofSF.

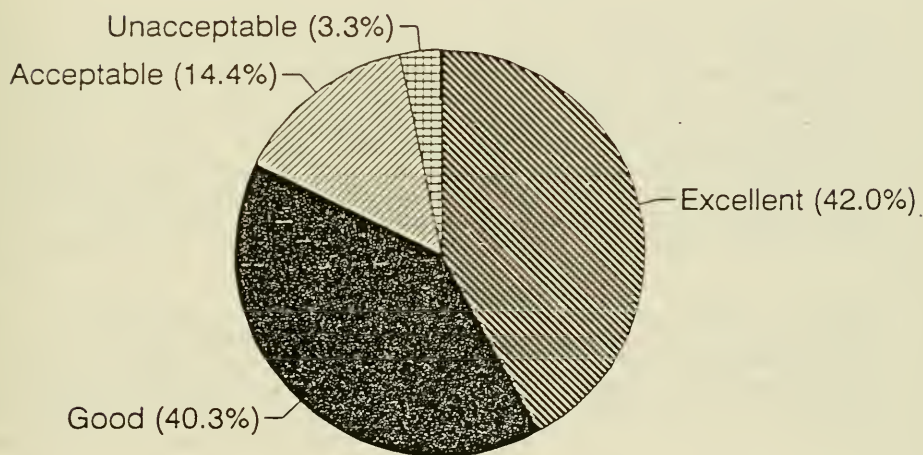
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M. ADJOURNMENT:

There being no further calendared business before the Commission the meeting adjourned at 12:28 PM to go into closed session.


Jean Caramatti
Commission Secretary

Evaluation of service SFO surveys



GRAPH #12

SOURCE : THE CALIFORNIA AIRPORT SHUTTLE VAN INDUSTRY
A REPORT BY THE TRANSPORTATION DIVISION OF THE
CALIFORNIA PUBLIC UTILITIES COMMISSION



July 20, 1993

TO: AIRPORTS COMMISSON
Hon. Patrick A. Murphy, President
Hon. J. Stanley Mattison, Vice President
Hon. L. Andrew Jeanpierre
Hon. James K. Ho
Hon. Marie K. Brooks

FROM: Lorrie's Travel and Tours, Inc.

SUBJECT: Award of two Door-to-Door Shuttle Van Operating
Ageements.

Lorrie's submitted one of nine Proposals reviewed and evaluated by Airport Staff.

Lorrie's, and all the carriers that participated in this process, understood clearly, that unlike a "bid" process where the financial consideration is the one and only item that determines the award of a contract, the Request for Proposal process used by the San Francisco International Airport (where the financial consideration could only count for a maximum of 20% of the total points) gave a small local carrier like Lorrie's the opportunity to be seriously considered for one of the two Agreements based on the merits of our proposal and not our size. It became evident to us that in this case the San Francisco International Airport had better passenger services, and not fees, as their ultimate objective.

Lorrie's respectfully asserts to this commission that the San Francisco International Airport evaluation process was fair, and that it gave every participant equal access to the two available Agreements. The proof is that Lorrie's, a small local business, scored first in the evaluation process, and is now being recommended for one of the two agreements.

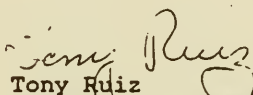
Lorrie's has never excluded other professionals in our industry from our plans. Initially, we separately contacted two Bay Area carriers to extended an invitation to submit a joint proposal. In both occasions, our invitation was declined. These two local carriers submitted their own individual proposals.

Conversely, Lorrie's received an invitation to join another group of carriers presenting a joint proposal; however, after careful analysis we determined that this group would not address the operational issues, which counted for 50 % of the potential points to be earned, with the degree of depth that we felt was required; therefore, we declined their invitation.

425 GRAND AVENUE
SO. SAN FRANCISCO, CA 94080
(415) 334-9000
FAX: (415) 952-4073

With only one other alternative available to us, which was to desist from participating in the process, we decided to prepare and submit our own proposal. In the preparation of our proposal we received technical assistance from recognized professionals in transportation engineering in order to analyze in depth the transportation service requirements of the Agreements. Our experience in the business and their expertise were carefully balanced in the preparation of the Operating Plan spelled out in our proposal. Should we be awarded one of the Agreements, the team will continue to work together in the transition and start up periods.

In the 17 years we have been in business, Lorrie's has always been an enterprise where all minorities have found an opportunity. We will continue our commitment of maximizing the recruitment of minorities and women in the years to come and we pledge to maintain the same high quality passenger services that has become our trademark and that the Airport will require.


Tony Ruiz
President and General Manager

Prepared by: Julio R. Bonilla

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SAN FRANCISCO AIRPORTS COMMISSION



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MINUTES

AUGUST 17, 1993

FRANK M. JORDAN, MAYOR

COMMISSIONERS

PATRICK A. MURPHY
President

J. STANLEY MATTISON
Vice President

L. ANDREW JEANPIERRE

JAMES K. HO

MARIE K. BROOKS

LOUIS A. TURPEN

Director Of Airports

SAN FRANCISCO INTERNATIONAL AIRPORT
SAN FRANCISCO, CALIFORNIA 94128

Index
of the Minutes
Airports Commission

August 17, 1993

<u>CALENDAR SECTION</u>	<u>AGENDA ITEM</u>	<u>TITLE</u>	<u>RESOLUTION NUMBER</u>	<u>PAGE</u>
A.		CALL TO ORDER:		3
B.		ROLL CALL:		3
C.		ADOPTION OF MINUTES:		
		Regular meeting of July 20, 1993	93-0157	3
D.		ITEMS INITIATED BY COMMISSIONERS:		3
E.		ITEMS RELATING TO ADMINISTRATION, OPERATIONS & MAINTENANCE:		
	1.	Approve Airport Police Management MOU	93-0158	3-4
	2.	Implement Arbitration Award for Airport Police Association	93-0159	4
	3.	Authorize Second Pre-Proposal Conference - Fixed Base Operations (FBO) Services User Agreement	93-0160	4-5
	4.	Bid Call - Boarding Area A Retail Concession Lease A-1	93-0161	5
	5.	Bid Call - Boarding Area A Retail Concession Lease A-2	93-0162	5
	6.	Bid Call - Boarding Areas B & C Retail Concession Lease	93-0163	5-6
F.		CONSENT CALENDAR OF ROUTINE ADMINISTRATIVE MATTERS:		
	7.	Award Contract 3167 - Industrial Wastewater Reclamation Project	93-0164	6
	8.	Award Contract 3058 - Expand Taxiway Guidance Sign System	93-0165	6
	9.	Award Contract 3236 - Relocate USO to South Terminal	93-0166	6

10.	Mod. No. 3 - Continental Airlines Lease & Use Agreement	93-0167	6-7
11.	Adopt FY1993/94 Rates & Charges Adopt Charges for Water Service	93-0168 93-0169	7
12.	Approve Increase in Funding: MoFo - \$500,000.00	93-0170	7
13.	Approve Increase in Funding: Howard, Rice, et al - \$50,000.	93-0171	7
14.	Sublease bet. Northwest & KLM	93-0172	7
15.	Term Extension for Cerand & Co.	93-0173	7
16.	Increase Contract Amount: PSC No. 1723B - Firehouse No. 2 Replacement	93-0174	8
17.	Reject All Bids - Contract 3204 - Parking Garage Standby Generator Replacement	93-0175	8
18.	Bid Call - Contract 3281 - Emergency Pavement Repairs	93-0176	
19.	Bid Call - Contract 3279 - Runway Rubber Removal 1993-94	93-0177	8
20.	Bid Call - Contract 3263 - Parking Lot D - Water Main Improvements	93-0178	8
21.	Ratifying Personnel Action	93-0179	8
22.	Travel/Training for FY1993-94	93-0180	9

G.	NEW BUSINESS:		
	MBE Local Truckers		9

H.	CORRESPONDENCE:		
	Vans - Request for extension		9-10
	Proposal for Pushcarts		10-11

I.	CLOSED SESSION:		
	Pending Litigation - Allders		11

J.	ADJOURNMENT:		11
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Minutes
of the
Airports Commission Meeting

August 17, 1993

A. CALL TO ORDER:

The regular meeting of the Airports Commission was called to order at 9:03 A.M. in Room 282, City Hall, San Francisco, Ca.

* * *

B. ROLL CALL:

Present: J. Stanley Mattison, Vice President
James K. Ho
Marie K. Brooks

Absent: Patrick A. Murphy
L. Andrew Jeanpierre

* * *

C. ADOPTION OF MINUTES:

The minutes of the regular meeting of July 20, 1993 were adopted by order of the Commission Vice President.

No. 93-0157

* * *

D. ITEMS INITIATED BY COMMISSIONERS:

There were no items initiated by Commissioners.

* * *

E. ITEMS RELATING TO ADMINISTRATION, OPERATIONS & MAINTENANCE:

Item nos. 1 through 6 were adopted unanimously. Item nos. 1 and 2 were called together.

1. Approval of the Airport Police Management Memorandum of Understanding

No. 93-0158

Resolution acknowledging Airport Police
Management MOU with Municipal Executive
Association and authorizing Director to

forward this agreement to the Board of Supervisors for approval.

2. Implementation of the Arbitration Award for the Airport Police Association

No. 93-0158

Resolution acknowledging arbitration award, and authorizing Director to request a \$1.3 million supplemental appropriation to pay for wage and benefits cost increases.

Mr. Lou Turpen, Airport Director explained that the City and County of San Francisco voters authorized collective bargaining for the Airport Police and the San Francisco Fire and Police Departments. Agenda items 1 and 2 are the results of that effort.

Mr. Turpen explained that the Airport Police went to arbitration and the results are contained in the information before the Commission. Carl Bunch, of the City's Employee Relations Division is available to answer questions.

Commissioner Brooks asked if the arbitration is binding.

Mr. Bunch responded that it is. Charter Section 8.590 provides for interest arbitration which permits an arbitration panel to determine the terms and conditions of employment. A panel was convened and a neutral arbitrator was appointed by the Association. He served as an arbitrator for the City and the Airport. The results are binding on the City. The only appeal available in this process is in the Courts.

Commissioner Brooks asked how this agreement relates to the SFPD.

Mr. Bunch responded that a lot of the issues were comparable to the downtown agreement and many of the final proposals were patterned after that agreement, which was reached last year. The pay increase for 1993/94 is the same.

3. Authorization to Conduct a Second Pre-Proposal Conference Fixed Base Operations Services User Agreement

No. 93-0159

Mr. Turpen explained that staff intends to relocate the Fixed Base Operation to the North Field as part of the Master Plan. The plan for the North Field includes a potential Ferry Terminal and other aircraft related activities.

Mr. Turpen explained that the original proposal called for the successful bidder to invest \$8-million to construct the facility. Having revisited that issue, staff's view is that the Airport should

construct and own the facility and then lease it. This is consistent with Airport practice. This second pre-proposal conference is designed to revisit that issue. The comments from the first pre-proposal conference are included in the Commission's information.

Mr. Turpen believed this change would make it a more competitive environment and increase participation.

Commissioner Mattison asked what the revenue impact would be.

Ms. Angela Gittens, Deputy Director for Business and Finance, replied that one of the issues of uncertainty is that we are making a kitchen sink operation to accommodate a potential ferry service. There is some uncertainty as to the overall expended capital and the overall operating expenses over the life of the contract. She did not believe there is a revenue impact on the basic traditional FBO services.

Commissioner Mattison asked if the formula has been changed so completely that we have moved away from any equivalent fixed minimum.

Ms. Gittens responded that we are still going to have a minimum consideration in lieu of rent.

Item nos. 4, 5 and 6 were called together.

4. Authorization to Accept Bids: Boarding Area "A" Retail Concession Lease A-1

No. 93-0160

5. Authorization to Accept Bids: Boarding Area "A" Retail Concession Lease A-2

No. 93-0161

6. Authorization to Accepts Bids: Boarding Areas "B" and "C" Retail Concession Lease

No. 93-0162

Ms. Gittens explained that staff recently proposed to hold over the South Terminal Principal Concession lease under the same terms and conditions as have been in force for the past five years. That was unacceptable to the tenant as it was felt that the minimum annual guarantee was too high. That lease has now been broken into three leases. The principal concession for Boarding Areas "B" and "C" is to remain intact. There will be a shorter term and a minority set-aside structure for the two leases on Boarding Area "A".

Ms. Gittens said that although the combined changes recommended at the pre-bid conference come to slightly less than the previous contractor's minimum annual guarantee, staff is confident that the bids will come in and make us whole in the South Terminal concessions.

Commissioner Mattison asked if the small business set-aside impact is unchanged.

Ms. Gittens responded that we will actually wind up with more small business enterprises in the South Terminal.

* * *

F. CONSENT CALENDAR OF ROUTINE ADMINISTRATIVE MATTERS:

Item nos. 7 through 22 were adopted unanimously.

7. Award of Contract No. 3167: Industrial Wastewater Reclamation Project

No. 93-0163	Resolution awarding Contract 3167 to E. Mitchell, Inc. in the amount of \$899,800.
-------------	--

Commissioner Brooks where E. Mitchell, Inc. was located.

Mr. Ernie Eavis, Principal Engineer, responded that E. Mitchell is a San Francisco-based contractor.

Mr. Turpen asked if the timing on this contract was critical.

Mr. Eavis responded that it is critical. We must comply with the Water Quality Control Board.

8. Award of Contract No. 3058: Expansion of Taxiway Guidance Sign System

No. 93-0164	Resolution authorizes Director to award Contract 3058 to the lowest, qualified responsive bidder when bids are received.
-------------	--

9. Award of Contract No. 3236: USO Relocation to the South Terminal

No. 93-0165	Resolution approving the award of Contract 3236 to P.L. Annuzzi, Inc.
-------------	---

10. Mod. No. 3 to Continental Airlines Lease and Use Agreement No. 82-0316

11. Adoption of FY 1993/94 Rates & Charges

No. 93-0167

Resolution establishing landing fee rates, minimum landing fees, terminal rental rates, in-transit lounge fees, jet bridge fees, sewage/wastewater treatment fees, and requesting a supplemental appropriation; and resolution establishing water rates.

12. Resolution Increasing Funding of Contract with Law Firm of Morrison & Foerster by Modification in the Amount of \$500,000.00

No. 93-0168

Resolution approving Mod. No. 7 of Agreement with Morrison & Foerster to increase amount by \$500,000.; all other terms and conditions of the Agreement to remain in full force and effect.

13. Resolution Increasing Funding of Contract with Howard, Rice, et al by Modification in the Amount of \$50,000.00.

No. 93-0169

Resolution approving Mod. No. 7 of Agreement with law firm of Howard, Rice et al to increase amount by \$50,000.; all other terms and conditions of Agreement to remain in full force and effect.

14. Sublease between Northwest Airlines, Inc. and KLM Royal Dutch Airlines

No. 93-0170

Resolution approving sublease between Northwest Airlines and KLM for space in the International Terminal.

15. Term Extension for Cerand and Company, Inc. - Contract No. 2710046

No. 93-0171

Resolution authorizing a twelve month extension of Cerand and Co. Contract CT2710046 to enhance computerized parking control system.

16. Increase Contract Amount for Professional Services
Contract No. 1723B - Firehouse No. 2 Replacement

No. 93-0172 Resolution to increase the contract amount and extend the contract time for Professional Services for Group 4/ Architecture, Research & Planning, Inc.

17. Reject All Bids - Contract 3204: Parking Garage - Standby Generator Replacement

No. 93-0173 Resolution to reject all bids for Contract 3204 and approve the re-advertisement and re-bid of Contract 3204.

18. Bid Call - Contract No. 3281: Emergency Pavement Repairs

No. 93-0174 Resolution approving the scope, budget and schedule of Contract 3281 and authorizing the Director of Airports to call for bids when ready.

19. Bid Call - Contract No. 3279: Runway Rubber Removal 1993-94

No. 93-0175 Resolution approving the scope, budget and schedule of Contract 3279 and authorizing the Director of Airports to call for bids when ready.

20. Bid Call - Contract No. 3263: Parking Lot D - Water Main Improvements

No. 93-0176 Resolution approving the scope, budget and schedule for Contract 3263 and authorizing the Director of Airports to call for bids when ready.

21. Resolution Ratifying Personnel Actions

No. 93-0177 Resolution, in accordance with the requirements of San Francisco City Charter Section 3.501, ratifying and approving certain personnel actions taken by the Director of Airports.

No. 93-0178

* * *

G. NEW BUSINESS:

Mr. Ace Washington introduced himself as a community activist and consultant to local minority truckers. He said that he is familiar with Commissioners Ho and Jeanpierre. He has been assigned by the truckers to become more familiar with the Airport as a main source of future contracts.

Mr. Washington said that he has already met with Sandra Crumpler, who conducted an Airport tour for him, and Dennis Bouey. He thanked Ed Lee of the HRC for his assistance, as well as Pansy Waller and Dick Norton.

Mr. Washington said that he was also representing his own San Francisco consulting firm. He is also involved in San Francisco media. He has a couple of shows on local television stations and will be submitting proposals to the Airport for video work. He said that the Airport is doing a wonderful job and he looked forward with the Airport.

* * *

H. CORRESPONDENCE:

Commissioner Mattison said that at the Commission's last meeting an August 15 target date was established as the deadline for van companies to present an alternative proposal in the wake of the bid awards currently pending to the two leading shuttle company bidders. One company, American Airporter, submitted a timely proposal. He asked staff to take a look at the proposal and return to the Commission with an analysis within the next week or two.

Commissioner Mattison commented that the Commission, at its last meeting, cautioned the van companies against completely restructuring ground transportation. Staff thoroughly studied and crafted a bid process that resulted in two credible winning bidders. The Commission was concerned about the implications for the many van companies who failed in either developing a successful consortium or producing a winning bid. Rather than immediately relegating them to an alternative that would clearly have an economic impact, we wanted to see if some alternative structures could be studied, primarily dealing with that aspect of the bid process, not necessarily throwing out the entire shuttle organization and starting from scratch. He encouraged more attention in the proposal crafting to those thoughts and trying to deal with how to manage the balance of the shuttle companies without destroying the integrity of the two winning bidders economic assumptions.

Commissioner Mattison noted that a letter was received requesting an extensive 60-90 day delay. This sounded to him like another massive

restructuring attempt. He said that he was not opposed to a reasonable delay but he did not believe that a 60-90 day delay was called for. He thought that within the two-to-four week time frame in which staff is analyzing the one timely-submitted proposal, the other group could be working with Landside to try to come up with some compatible approaches. He reiterated the Commission's intention of all the non-successful bidders getting together and working in a cooperative effort.

Mr. Turpen agreed. He said that the Commission directed staff to come up with its own proposal on how to deal with the non-successful group. Staff will respond to American Airporter within 14 days, providing the Commission with a copy of the response. Staff will go back to Mr. Pohl and the remaining group and put some structure around it. He suggested a September 15 deadline for responses, which is a 30-day extension. This item will then be recalendared for the October 5 meeting.

Commissioner Mattison felt that the status quo should be maintained and no additional permits should be granted. The variables should not be changed.

Mr. Turpen agreed.

Ms. Marcia Parkinson, Sales Dynamics, Inc. said that hers is a national independent company that places pushcarts in shopping centers, airports, train stations. She sent a proposal to Gerri Allison on where to place 13 pushcarts in the Airport. Ms. Allison responded to her letter inviting her to these meetings. She asked how to further her proposal. She believed these carts would greatly benefit the Airport as they can produce at least an additional \$100,000 in Airport revenue. She believes she can do at least as good a job as the Airport's art program by locating artisans and crafters. She said that it is very similar to Denver, however, she would make it look much better.

Commissioner Mattison said that the Airport is very proud of its Art and Exhibition Program. Futher, we have such a carefully studied retail plan and mix of shops and such a strong program for supporting the owners of those shops that it would be difficult to inject into the current program any new kiosk square footage. If we wanted to raise are revenue we would tell everyone to double their prices. We are interested in giving the traveling public good service and a fairly priced product. We are interested in a fair revenue stream, not in maximizing revenues. We are not looking to squeeze extra dollars per square footage. We are always interested in suggestions on a specific case by case basis.

Ms. Parkinson said that she went through concourses A and B and gave Ms. Allison specific locations that would be conducive to carts. She said that there were two areas by escalators.

Commissioner Mattison said that staff will evaluate her specific proposals. If staff feels the proposal is valid it will go into a bid process.

Ms. Parkinson asked how the bid process worked. What if no one else bid for a cart program.

Commissioner Mattison said that staff must first determine the viability of a cart program. He said that staff will respond to her proposal.

Mr. Turpen suggested to Ms. Parkinson that she meet with Ms. Gittens so that she can explain the process to her. He said that this process may be a little different from what she is used to. She can be notified of opportunities as they come up, particularly in her area of interest. He said that her concept was in place here several years ago and was rejected by the Commission.

* * *

I. CLOSED SESSION:

The Airports Commission will go into closed session in accordance with Government Code Section 94956.9(a)(1) to discuss pending litigation entitled Allders International, Ltd. v Airports Commission, C&CoSF.

* * *

J. ADJOURNMENT:

There being no further calendared business before the Commission the meeting adjourned 9:27 AM to go into closed session.


Jean Caramatti
Commission Secretary

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9/21/93

SAN FRANCISCO AIRPORTS COMMISSION



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MINUTES

SEPTEMBER 21, 1993

FRANK M. JORDAN, MAYOR

COMMISSIONERS

PATRICK A. MURPHY
President

J. STANLEY MATTISON
Vice President

L. ANDREW JEANPIERRE

JAMES K. HO

MARIE K. BROOKS

LOUIS A. TURPEN

Director Of Airports

SAN FRANCISCO INTERNATIONAL AIRPORT
SAN FRANCISCO, CALIFORNIA 94128

Index
of the Minutes
Airports Commission

September 21, 1993

<u>CALENDAR SECTION</u>	<u>AGENDA ITEM</u>	<u>TITLE</u>	<u>RESOLUTION NUMBER</u>	<u>PAGE</u>
A.		CALL TO ORDER:		3
B.		ROLL CALL:		3
C.		ADOPTION OF MINUTES:		
		Regular meeting of August 17, 1993	93-0192	3
D.		DIRECTOR'S REPORTS:		
	1.	Proposed Amendments to SFIA Noise Regulation		3-4
E.		ITEMS INITIATED BY COMMISSIONERS:		4
F.		PENDING LEGISLATION:		
	2.	Report on Pending Legislation		5
G.		ITEMS RELATING TO ADMINISTRATION, OPERATIONS & MAINTENANCE:		
	3.	Authorize Contract with SamTrans to Operate CalTrain SFO Shuttle and Acceptance of BAAQMD Funds		5-6
	4.	Award Contract 1559G - Repair & Overlay of Taxiways "A" & "B"	93-0193	6-7
H.		CONSENT CALENDAR OF ROUTINE ADMINISTRATIVE MATTERS:		
	5.	Agreement with Law Firm of Paetzold, White & Brodsky - \$20,000.00	93-0194	7
	6.	Close-Out Professional Services Contract with Gerson/Overstreet, Architect for Tunnel A & Tunnel C Renovation & Demolition of Pier 'e'	93-0195	7

7.	Mod. to Contract with O'Brien-Kreitzberg & Assoc. to Perform Preliminary Master Plan Scheduling and Budgets	93-0196	8
8.	Award Contract 3256 - Airport Fuel Systems Improvements, 1993/94	93-0197	8
9.	Award Contract 3146 - Replace Carbon Monoxide Monitor Equipment, Parking Garage	93-0198	8
10.	Award Contract 3232 - Environmental Clean-Up III, Professional Services Contract	93-0199	8
11.	Bid Call - Contract 3237 - Intern'l Terminal Property Management Relocation	93-0200	9
12.	Bid Call - Contract 3291 - North Terminal Apron Reconstruction	93-0201	9
13.	Mod. of Professional Services Contract for Psychological Screenings	93-0202	9
14.	Travel/Training - FY 1993/94	93-0203	9

I.	NEW BUSINESS:		
	SamTrans		9
	San Francisco Truckers		10

J.	CORRESPONDENCE:		10
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K.	CLOSED SESSION:		
	Pending Litigation: Allders v Airports Commission; Millbrae, Brisbane v Airports Commission; Sierra Point Assoc. Tow, The Koll Co., v CCoSF; Personnel Matters		10

L.	ADJOURNMENT:		10
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Minutes
of the
Airports Commission Meeting

September 21, 1993

A. CALL TO ORDER:

The regular meeting of the Airports Commission was called to order at 9:00 A.M. in Room 282, City Hall, San Francisco, Ca.

* * *

B. ROLL CALL:

Present:

Patrick A. Murphy, President
J. Stanley Mattison, Vice President
L. Andrew Jeanpierre
James K. Ho
Marie K. Brooks

* * *

C. ADOPTION OF MINUTES:

The minutes of the regular meeting of August 17, 1993 were adopted by order of the Commission President.

No. 93-0192

* * *

D. DIRECTOR'S REPORTS:

1. Proposed Amendments to San Francisco International Airport Noise Regulation

Mr. Lou Turpen, Airport Director, said that a public hearing will be scheduled in approximately 30-days. The Roundtable will have an opportunity to review and comment to the Airports Commission on the proposed amendments and, depending on the results of the public hearing, the Commission will take action in 60 days.

Mr. Turpen said that there are three items before the Commission ... the first is whether to maintain the current maximum sideline noise level of 103PNDB. The Commission, by its own regulation, was to make a decision by the end of this year. He recommended a one-year extension on that decision date. Airport Community Roundtable preliminary discussions have indicated that they may want to make a

recommendation in this regard and may ask the Commission to hold it over for three to six months instead of a year.

Mr. Turpen said that item no. 2 is the nighttime noise flight advice. In the past four years we have experienced virtually no increase in aircraft operations during the nighttime hours. The 90-day requirement is one that was questioned by the Federal Government. Rather than get into a dispute about it, and since we now have prohibitions against nighttime operations, we don't see it as necessary to maintain the effectiveness of the noise regulation.

Mr. Turpen said that the third issue is anti-backsliding. As the Commission is aware, anti-backsliding was added at the beginning of our noise regulation to protect against an airline relocating quite aircraft to other airports that might adopt a more aggressive implementation schedule. At the time anti-backsliding was added we were requiring 25 percent of a fleet operating at SFO to contain quietest airplanes. As of January 1, 1994, it will go to 50 percent. That will assure against backsliding. The anti-backsliding provision has served its purpose and helped us get to the point we are today.

Mr. Turpen said that it is clear from conversations with the FAA that they are concerned that these provisions might be incorporated into regulations elsewhere. The FAA maintains that the provisions are not consistent with the Airport Noise and Capacity Act. We maintain that they are, however, an argument over the issue at this point would not bring us any further than what has already been achieved through the natural progression of the noise regulation. We will return to the Commission with more detail in the future.

Mr. Turpen said that the Airport has received a letter from the Airport Noise Committee expressing interest in these items and the belief that they have not had sufficient time to take a look at it. He expected that the Commission will receive more public input on this matter within the next 30-days.

Commissioner Murphy said that he received a letter from Supervisor Mary Griffin saying that she wanted to participate in the process.

Mr. Turpen said that this is notice of the fact that changes are being considered. This information has been provided to the Airport Community Roundtable. It is the beginning of an evaluation process that will provide the Commission with input from everyone before making a final decision.

* * *

E. ITEMS INITIATED BY COMMISSIONERS:

There were no items initiated by Commissioners.

* * *

F. PENDING LEGISLATION:

2. Report on Pending Legislation - Oral Report

Mr. Turpen said that the Commission has received a list of all current legislation and its status. At this point things are legislatively quiet with respect to matters that would effect San Francisco Airport. He will continue to keep the Commission advised.

Commissioner Mattison noted that a number of airlines are not paying LAX's new landing fees and asked if there was anything we should learn from that.

Mr. Turpen responded that it is a complex situation. LAX increased its landing fees from among the lowest in the country to a more moderate rate. They have refused to pay. The airlines are currently operating under permits at LAX. The question is, what is the next step if they refuse to pay.

Commissioner Murphy asked what LAX is proposing to do with the money?

Mr. Turpen responded that the money will be maintained on airport for capital projects. He said that this is not very different from what we experienced in 1979 and 1980. At that time the San Francisco Airports Commission placed a surcharge on landing fees to support the capital program. The airlines paid the surcharge under protest. This was ultimately caught up in the lawsuit between the City and the airlines and was resolved in the settlement of that lawsuit. According to LAX, they are simply adding a surcharge to build up the reserves they need to make improvements.

* * *

G. ITEMS RELATING TO ADMINISTRATION, OPERATIONS & MAINTENANCE:

Item no. 3 was put over.

3. Authorization to Contract with SamTrans to Operate CalTrain SFO Shuttle and Authorization to Accept BAAQMD Funds

Resolution authorizing Director to contract with San Mateo County Transit District to operate a CalTrain-SFO Shuttle for a one-year trial and authorizing Director to accept and expend partial funding from the Bay Area Air Quality Management District to operate the off-Airport portion of the CalTrain-SFO Shuttle.

Mr. Turpen explained that the price was too high and the service wasn't what we wanted. We wanted a bus to meet every CalTrain arrival at the Millbrae station and then run a circuit through the Airport.

Because we cannot spend money off Airport it took time to secure the necessary funds from BAAQMD. When we went out for a contract, the price was higher than expected. Furthermore, the schedule that was established was not a service schedule and left some trains unmet.

Mr. Turpen asked that the matter be put over to allow time for staff to either revisit this issue with SamTrans or bid this contract to someone else.

Commissioner Mattison asked if the problem was too many trains arriving during the commute hour.

Mr. Turpen responded that he did not believe that was the problem. It was a function of timing, where they would be off by 10 or 15 minutes, leaving people waiting. That defeats the purpose of the concept.

Commissioner Mattison asked if there was difficulty in getting cooperation from CalTrans or SamTrans.

Mr. Turpen responded that they have been cooperative. It is a function of what their costs are in relation to what we feel the costs should be. We need to determine if they can meet our cost expectations within their structure. If they can't, we have to find someone who can.

Mr. Turpen said that he would like to return with this issue 30 days.

Commissioner Jeanpierre asked if the dollars were off significantly.

Mr. Turpen responded that staff's estimate of the value was dramatically different. It is also based on the grant. The budgetary factors are more important this time around.

4. Award of Contract 1559G: Repair and Overlay of Taxiways "A" and "B"

No. 93-0193

Resolution awarding Contract 1559G to Ghilotti Bros. Construction, Inc. in the amount of \$6,719,892.50.

Commissioner Brooks asked if any of the other contractors are located in San Francisco.

Mr. Dennis Bouey, Deputy Director, Facilities Operations and Maintenance responded that none of these contractors are located in San Francisco. He said that most of the larger paving companies are located in the South Bay and the East Bay.

Commissioner Mattison asked what the difference was between Ghilotti Brothers and Ghilotti Construction.

Mr. Bouey responded that Ghilotti Construction is the son of one of the owners of Ghilotti Brothers.

H. CONSENT CALENDAR OF ROUTINE ADMINISTRATIVE MATTERS:

Item nos. 5. through 14 were adopted unanimously.

5. Agreement with Law Firm of Paetzold, White & Brodsky -- \$20,000.00

No. 93-0194

Approve agreement with law firm of Paetzold, White & Brodsky to provide legal services in connection with certain litigation, Spaulding & Spaulding vs. CCSF at a cost not to exceed \$20,000.00.

6. Close Out Professional Services Contract with Gerson/Overstreet, Architect for Tunnel A & Tunnel C Renovation and Demolition of Pier 'e'

No. 93-0195

Resolution accepting work as completed, approving Mod. No. 10 setting the final contract price at \$352,824.19 (Contract budget: \$353,000.), and authorizing Director to make final payment. Neither consultant nor City intends to claim against the other.

Commissioner Brooks asked if it was customary to include the wording "I recommend the Commission accept the work as completed and waive all claims against the architect for errors and omissions"?

Mr. Turpen responded that that is not uncommon.

Commissioner Murphy assumed that it is not an uncommon experience with an architect to find a couple of things you don't like when a project is completed, but, on balance the work is acceptable. At the same time, they are not off the hook if there is a hidden defect of some sort that they knew about but we did not.

Mr. Turpen added that our experience in the South and International Terminals was very good.

Mr. Gene Bordegaray, Administrator, Bureau of Design and Construction, noted that the claims for the International Terminal amounted to less than \$100,000.00 for a \$100,000,000.00 project.

7. Modification to Contract with O'Brien-Kreitzberg & Associates to Perform Preliminary Master Plan Scheduling and Budgets

No. 93-0196

Resolution modifying an existing

contract with O'Brien-Kreitzberg to increase the contract amount by \$250,000 and extend the completion date to June 30, 1994.

8. Award of Contract 3256: Airport Fuel Systems Improvements, 1993-94

No. 93-0197 Resolution awarding Contract 3256 to Tank Protect Engineering in the amount of \$154,390.

Commissioner Brooks asked if any of these bidders are located in San Francisco.

Mr. Bouey responded that none of the bidders for this contract are located in San Francisco.

Commissioner Brooks asked if consideration is ever given to a San Francisco company.

Mr. Bouey responded that if a company is located in San Francisco and registered with the Human Rights Commission they receive a 5% preference. If that firm also happens to be minority or woman-owned, it will receive an additional 5%.

Commissioner Brooks said that she was thinking more of the economy of the City.

9. Award of Contract 3146: Replacement of Carbon Monoxide Monitor Equipment, Parking Garage

No. 93-0198 Resolution awarding Contract 3146 to E. Mitchell, Inc. in the amount of \$301,900.

10. Award of Contract 3232: Environmental Clean-Up III Professional Services Contract

No. 93-0199 Resolution awarding Contract 3232 to Versar, Inc., in joint venture with Sierra Environmental Services in the amount of \$1,000,000.

11. Bid Call - Contract 3237: International Terminal Property Management Relocation

No. 93-0200 Resolution approving the scope, budget

and schedule for Contract 3237 and authorizing the Director of Airports to call for bids when ready.

12. Bid Call - Contract 3291: North Terminal Apron Reconstruction

No. 93-0201

Resolution approving the scope, budget and schedule for Contract 3291 and authorizing the Director of Airports to call for bids when ready.

13. Modification of Professional Service Contract for Psychological Screenings

No. 93-0202

Modification to add \$15,000. and extend time of the current contract with Law Enforcement Psychological Services, Inc., the Airport's Psychological Examiner.

14. Travel/Training for FY1993/94

No. 93-0203

* * *

I. NEW BUSINESS:

Dr. Nancy Jewel-Cross said that she understands that the proposal has been rejected as too costly. She believed that SamTrans wouldn't do the job right, it would be too expensive and would not serve as well as the Airport's own shuttles, which are more accommodating for baggage. She said that she would like the Airport to receive the additional 20% funding from the appropriate source.

Dr. Cross suggested calendaring an item on luggage carts for consideration by the Commission. She suggested providing CalTrain passengers with a token for a free Airport luggage cart.

Dr. Cross submitted a petition to the Commission containing over 600 signatures gathered over a period of nine years regarding her issues.

Dr. Cross also suggested that since residents of neighboring areas are not able to access CalTrain, a bicycle garage should be constructed.

Mr. Ace Washington requested a tour of the facilities for the purpose of informing local truckers of what is going on at the Airport.

Commissioner Murphy suggested to Mr. Washington that he put his request in writing. He said that he wanted all groups to understand what we are doing on the Master Plan and of the opportunities available. We will figure out a mutually convenient way of doing that.

* * *

J. CORRESPONDENCE:

There was no discussion by the Commission.

* * *

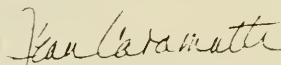
K. CLOSED SESSION:

The Airports Commission will go into closed session in accordance with Government Code Section 94956.9(a)(1) to discuss the following pending litigation: (1) Allders International, Ltd. v Airports Commission, C&CofSF; (2) Millbrae, Brisbane, et al v. Airports Commission; (3) Sierra Point Associates Two, The Koll Company v. C&CofSF; and, Government Code Section 54957 to discuss personnel matters.

* * *

L. ADJOURNMENT:

There being no further calendared business before the Commission the meeting adjourned at 9:30 AM. to go into closed session.


Jean Caramatti
Commission secretary

43

SAN FRANCISCO AIRPORTS COMMISSION



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MINUTES

OCTOBER 5, 1993

FRANK M. JORDAN, MAYOR

COMMISSIONERS

PATRICK A. MURPHY
President

J. STANLEY MATTISON
Vice President

L. ANDREW JEANPIERRE

JAMES K. HO

MARIE K. BROOKS

LOUIS A. TURPEN

Director Of Airports

SAN FRANCISCO INTERNATIONAL AIRPORT
SAN FRANCISCO, CALIFORNIA 94128

Index
of the Minutes
Airports Commission

October 5, 1993

<u>CALENDAR SECTION</u>	<u>AGENDA ITEM</u>	<u>TITLE</u>	<u>RESOLUTION NUMBER</u>	<u>PAGE</u>
A.		CALL TO ORDER:		3
B.		ROLL CALL:		3
C.		ADOPTION OF MINUTES:		
		Regular meeting of September 21, 1993	93-0205	3
D.		ANNOUNCEMENT BY SECRETARY:		3
E.		DIRECTOR'S REPORTS:		
		(A court reporter's transcript of Item No. 1 is available.)		
	1.	Door-to-Door Van Operation Proposals		8
F.		ITEMS INITIATED BY COMMISSIONERS:		
		Congestion on Lower Level Roadway		3
G.		ITEMS RELATING TO ADMINISTRATION, OPERATIONS & MAINTENANCE:		
	2.	Nomination of Architect for New International Terminal	93-0206	4-5
	3.	Duty Free/In-Bond Concession Agreement	93-0207	5
	4.	Approval of Issue 5 Bonds & Official Documents: Form of Official Statement, Notice of Sale, & Authorization of Official Action		8
		Supplemental Changes to 1991 Master Bond Resolution		
	5.	Approval to Rebid Hair Salon Lease	93-0208	5

H.	CONSENT CALENDAR OF ROUTINE ADMINISTRATIVE MATTERS:		
6.	Award Contract 2377A - Taxiway "B" Realignment	93-0209	5
7.	DFS-West Intern'l Terminal Duty Paid Principal Concession Lease Extension - Approval of Minority/ Woman-Owned Business Enterprise Retail Space Increase	93-0210	6
8.	Extension of Current Award of a Personal Service Contract for Airport Employment Examination Provider	93-0211	6
9.	Award of Professional Services Contract - Curtis & Tompkins, Ltd. Analytical Laboratories	93-0212	6
10.	DFS-West Intern'l Terminal Concession Lease Extension - Design Approval	93-0213	6
11.	Resolution Ratifying Personnel Actions	93-0214	6
H.	NEW BUSINESS:		8
I.	CORRESPONDENCE:		8
K.	CLOSED SESSION:		
	Pending Lit.: Millbrae, Brisbane v Airports Commission; Sierra Point Assoc. Two, The Koll Co. v CCSF; CCSF v FAA; Potential Lit.: Dynasty Express Corp. dba General Rent-A-Car		7
L.	ADJOURNMENT:		8

Minutes
of the
Airports Commission Meeting

October 5, 1993

A. CALL TO ORDER:

The regular meeting of the Airports Commission was called to order at 9:03 A.M. in Room 282, City Hall, San Francisco, Ca.

* * *

B. ROLL CALL:

Present: Patrick A. Murphy, President
J. Stanley Mattison, Vice President
L. Andrew Jeanpierre
James K. Ho
Marie K. Brooks

* * *

C. ADOPTION OF MINUTES:

The minutes of the regular meeting of September 21, 1993 were adopted by order of the Commission President.

No. 93-0205

* * *

D. ANNOUNCEMENT BY SECRETARY:

In accordance with Section 54957.1 of the Brown Act, Jean Caramatti, Commission Secretary announced the unanimous adoption of resolution no. 93-0204 regarding the settlement of litigation entitled White v C&CofSF in the amount of \$5,000.00 at the closed session of September 21, 1993.

* * *

F. ITEMS INITIATED BY COMMISSIONERS:

Commissioner Murphy said that in the past few weeks he has arrived at the Airport several times in the evening and noticed an inordinate amount of congestion on the lower level with limosines in the dead center of it all. He asked Mr. Turpen to take a look at it.

Minutes, October 5, 1993, Page 3

G. ITEMS RELATING TO ADMINISTRATION, OPERATIONS & MAINTENANCE:

Item no. 2 was adopted unanimously. Item nos. 3 and 4 were put over to the end of the calendar. Item no. 5 was adopted unanimously.

2. Nomination of Architect for New International Terminal

93-0206

Resolution accepting the nomination of architect for the new International Terminal and authorizing the staff to negotiate a professional services contract with the selected architect.

Mr. Lou Turpen, Airport Director, told the Commission that staff has gone through an extensive process of evaluating almost 800 firms that have expressed an interest in working with the Airport in the development of its \$2.4-billion Master Plan. One of the key elements of the Master Plan is the new International Terminal.

Mr. Turpen reported that it was the unanimous recommendation of the evaluation committee to nominate Skidmore, Owings and Merrill, Del Campo and Maru, and, Michael Willis and Associates. He introduced Ed McCreary, Craig Hartman, Carolina Woo, Martin Del Campo and Michael Willis who comprise the recommended firms.

Commissioner Mattison asked Mr. Turpen to describe the process and the jury selection.

Mr. Jason Yuen, Airport Consultant, explained that the process began with 800 firms. Of that number, 183 lacked the necessary qualifications. The past performance and track records of the remaining 617 firms was researched. Of that number, 80 were placed on a short list. Of those 80 firms, 6 of them were short listed for the International Terminal. Those 6 firms formed 5 teams. Those five teams were interviewed and found technically competent for the project and were invited to participate in the design competition to judge aesthetic ability. Architectural renderings were presented as part of the evaluation and selection process. Those designs are before the Commission today.

Mr. Yuen explained that the selection panel, consisting of six people, viewed the unidentified renderings. The jury unanimously voted for the Skidmore team.

Mr. Turpen expressed his appreciation to Jason, Gene Bordegaray and the staff for their professional handling of such a complex selection process.

Commissioner Mattison said that it was an impressive piece of work. He liked a couple of the designs and would have been happy with a couple of the selections.

He applauded the drama of this selection and felt that the floating wing will be an amazing site. He did feel that some work had to be done in trying to keep 4-acres of western facing glass from turning the building into an oven. He believed that everyone will be thrilled with the Airport's new signature building.

Mr. Turpen said that he was gratified at the breadth of the concepts. There are five dramatically different concepts from which to select. He commended all of the firms for the incredible amount of effort and thought that went into their presentations. Each one is exciting in its own right.

5. Approval to Rebid Hair Salon Lease

No. 93-0208

Resolution approving revised leasehold specifications and authorizing Director to receive bids for rebidding the International Terminal Connector Hair Salon Lease.

Mr. Turpen said that no bids were received for this lease. Suggestions for changes are contained in the information before the Commission. Staff would like to revise the specifications and go out for bid again.

Commissioner Brooks asked why there was a requirement for automobile liability policy.

Ms. Angela Gittens, Deputy Director for Business and Finance responded that all of our tenants are required to have automobile liability. Since our tenants must drive on the Airport to get to their businesses, it is for the Airport's protection.

Commissioner Brooks asked how someone would comply who did not own a car.

Ms. Gittens responded that if they didn't drive a car they wouldn't need the insurance.

* * *

H. CONSENT CALENDAR OF ROUTINE ADMINISTRATIVE MATTERS:

Item nos. 6 through 11 were adopted unanimously.

6. Award of Contract No. 2377A: Taxiway "B" Realignment

No. 93-0209

Resolution awarding Contract 2377A to Oliver De Silva, Inc., in the amount of \$1,198,315.00.

7. DFS-West International Terminal Duty Paid Principal Concession Lease Extension - Approval of Minority/Women-Owned Business Enterprise Retail Space Increase

No. 93-0210

Resolution approving DFS-West's retail space increase for Minority/Women-Owned Business Enterprise Sublessees.

8. Extension of Current Award of a Personal Service Contract for an Airport Employment Examination Provider

No. 93-0211

Extension of the current Award of a Personal Services Contract to Seton Medical Center to act as the Airport Employment Examination Provider for an amount not to exceed \$300,000.

9. Award of Professional Services Contract: Curtis & Tompkins, Ltd. Analytical Laboratories

No. 93-0211

Resolution approving the employment of Curtis & Tompkins, Ltd. Analytical Laboratories, to provide testing services in the amount of \$70,000.00.

10. DFS-West International Terminal Concession Lease Extension - Design Approval

No. 93-0212

Resolution to approve designs for DFS-West's International Terminal Duty Paid Principal Concession shops.

Commissioner Mattison asked if there was anything in the design approval of which the Commission should be aware.

Mr. Turpen responded that he did not believe so.

Ms. Gittens said that the boards are in the back of the room. The major changes will be the addition of the Silk Boutique, relocating the news/book stand and enlarging the poster shop.

11. Resolution Ratifying Personnel Actions

No. 93-0213

Resolution, in accordance with the requirements of San Francisco City Charter Section 3.501, ratifying and approving certain personnel actions taken by the Director of Airports.

* * *

The meeting was recessed at 9:15 AM to go into closed session. The meeting reconvened at 10:08 AM.

K. CLOSED SESSION:

The Airports Commission will go into closed session in accordance with Government Code Section 54956.9(a)(1) to discuss the following pending litigation: (1) Millbrae, Brisbane, et al v. Airports Commission; (2) Sierra Point Associates Two, The Koll Company v. CCSF; and, (3) CCSF v FAA; and, pending before the California Department of Transportation in the matter of the applicaiton of the CCSF through the Airports Commission; and, Government Code Section 54956.9(b)(1) to discuss potential litigation with Dynasty Express Corporation dba General Rent-A-Car.

* * *

Item No. 3 was unanimously adopted.

3. Duty Free/In-Bond Concession Agreement

No. 93-0207

Resolution authorizing staff to conduct a Pre-Bid Conference for Duty Free/In-Bond Merchandise Sales Lease.

Mr. Turpen said that the current lease expires in December, 1994. Staff proposes a minimum bid of \$11,250,000 or 20 percent of gross. Staff will return to the Commission after the pre-bid with reactions of the potention lessees to our draft specifications. Pending approval, the pre-bid will probably be conducted within 60 days.

Commissioner Mattison asked that the following language be included in the specifications as an additional bid condition. He said that counsel can give an evaluation as to whether or not this inclusion is proper.

At the time of the award by the Commission of the lease for duty free in-bond merchandise sales and during the term thereof, the lessee shall not be engaged in or have pending in any court litigation against the City or the Airports Commission relating to or involving a contract, concession or lease at San Francisco International Airport awarded by the Commission prior to December 31, 1994 and which becomes effective after December 31, 1994.

Mr. Turpen asked for a copy of the language for General Counsel.

Commissioner Mattison's recommended language was accepted for incorporation into the lease specifications.

* * *

E. DIRECTOR'S REPORTS:

Item No. 1 will be discussed at 10:00 A.M. A court reporter's transcript of Item No. 1 is available.

1. Door-to-Door Van Operation Proposals

Summary of six (6) proposals to be considered for the door-to-door van operations at SFIA.

* * *

Item No. 4 was put over to the next meeting without discussion.

4. Approval of Issue 5 Bonds and Official Documents

Two resolutions approving:

1. Form of Official Statement, Notice of Sale, and authorizing official action.
2. Supplemental changes to the 1991 Master Bond resolution.

* * *

I. NEW BUSINESS:

There was no discussion by the Commission.

* * *

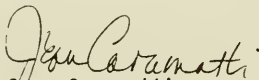
J. CORRESPONDENCE:

There was no discussion by the Commission.

* * *

L. ADJOURNMENT:

There being no further calendared business before the Commission the meeting adjourned at 12:45 PM.


Jean Caramatti
Commission Secretary

PUBLIC UTILITIES COMMISSION

100 VAN NESS AVENUE
SAN FRANCISCO, CA 94102-3298



August 10, 1993

Honorable Patrick A. Murphy, President
San Francisco Airport Commission
P. O. Box 8097
San Francisco, CA 94128

Dear President Murphy:

On July 20, 1993, Door-to-Door Shuttle Van Service Agreements were discussed at the Airport's Commission Meeting. We understand that the CPUC's regulatory policies and programs were referred to during the course of the discussion. We would like to clarify our position and dispell any doubts raised concerning the CPUC's goals in its airport access regulatory program.

The CPUC's present program was designed with these goals in mind: safety, service quality and availability, and lowest reasonable rates. Safety for both shuttle van passengers and the public in general is a primary goal. In recent CPUC enforcement activity, several carriers have been investigated for safety violations. The CPUC has and always will maintain a continuing effort of enforcement.

The current CPUC policy encourages price and service competition. Our policy allows open entry to any carrier who meets our safety and financial criteria[1]. We believe that open entry has been instrumental in keeping fares low, service quality high, and in expanding the market for door-to-door shuttle vans. A CPUC staff study, The California Airport Shuttle Van Industry, verified the success of the current door-to-door shuttle van industry. Its analysis of five years of rates showed that shuttle fares had declined from 1986 to 1991, after adjusting for inflation. A 1991 survey showed 82 percent of passengers boarding shuttles at SFO believed service was good or excellent and only 3.3 percent believed service was unacceptable. Additionally, the modal share of the shuttle van industry has increased from less than two percent in 1985 to ten percent in 1990 (MTC Air Passenger Survey), to 13 percent in 1992 (Airport Commission 1992 Air Passenger Survey). It now holds the largest modal share of passengers after private cars. A conservative estimate would be 3 million passengers a year use a shuttle van in connection with an SFO flight. We believe this performance is due to the

1 A large percentage of potential applicants for passenger authority do not file once they discover the criteria used to evaluate applications. Still, applications are rejected if they do not meet safety and/or financial fitness requirements.

innovative and diverse range of companies participating in this market.

We understand that the CPUC's open entry policy has negatively affected some of the airport's goals. The airport has struggled to develop programs to transport passengers in the quickest, easiest manner possible without extreme administrative costs and within a very limited space. We recognize that the airport has capacity constraints at the curb, the holding lot, and the driving lanes and that the increase in carriers has increased the airport's administrative duties. We hope to work cooperatively with you to lessen the negative impacts of our policies while retaining their benefits.

The CPUC realizes that airport authorities are the principal local government agencies interacting with the shuttle van industry and has always coordinated its policies with local agencies whenever possible. At the recommendation of San Francisco and Los Angeles International Airport, the CPUC staff established a committee comprised of representatives of the major airports, shuttle operators, and CPUC staff. This committee, the Airport Access Task Force, met in 1991 and 1992 and presented its recommendations to this Commission in July 1993. Since then our Transportation Division has pressed for adoption of the Task Force's recommendations, many of which have now been implemented. In addition, the CPUC organizes conferences with airport authorities throughout the state biannually in an effort to improve our programs, strengthen relationships, and meet airport needs. The CPUC enforcement staff is in constant communication with airport police and landside staff in attempts to limit illegal carrier operations. Our staff is always available for consultation and the sharing of ideas and information.

Still, we are very concerned that limiting the market to two door-to-door shuttle van companies will have negative repercussions on service and rates. Over twenty carriers presently provide service from the airport to San Francisco and other Bay Area Counties. We have real concerns that service needs will be neglected in niche markets, outlying communities, and for passengers requiring special services (e.g. non-English speaking). By limiting these services, the airport may inadvertently be increasing congestion by forcing these passengers into private cars, which accounts for the majority of the congestion at the airport.

In fact, the "excess" capacity currently exhibited by the shuttle van industry becomes necessary on peak periods. Although peak passenger flow occurs on a relatively few days per year, these are the most congested periods for the airport. Without the current shuttle van capacity, congestion could be significantly worse during these periods.

We are also concerned that the pool of applicants will deteriorate during the three year term of the contract. Our study shows that at SFO, 89% of survey respondents boarded a shuttle van without reservations. By prohibiting non-contracted carriers from providing walk-up service, the majority of these carriers will probably exit the industry during the course of the contract. Upon expiration of the contract, the number of carriers with the experience and capability necessary to fulfill the bid requirements may be limited. Fare and service problems from the resulting duopoly could significantly increase the oversight cost of the Airport and the CPUC, and it is unlikely a regulated duopoly will produce the same quality of service and low rates the competitive market provides.

We recognize the airport's concerns regarding congestion and limited space, but we believe that our open entry policy in association with a strictly regulated safety program maximizes the passenger carrier industry's ability to meet the needs of all consumers. We hope that you will consider our concerns when developing your program.

Very truly yours,

A handwritten signature in cursive script that reads "William R. Schulte".

William R. Schulte, Director
Transportation Division

cc: J. Stanley Mattison, Vice President
L. Andrew Jeanpierre, Commissioner
James K. Ho, Commissioner
Marie K. Brooks, Commissioner
Louis A. Turpen, Director
California Public Utilities Commission

1993 Admonishments Filed - Door to Door Vans

DATE	TIME	DRIVER	COMPANY	VEHICLE #	LOCATION	ZONE	INFRACTIONS
04-Aug-93	1210		LORRIE'S	140	INTERNATIONAL	GREEN/WHITE	IMPROPER UNLOADING
06-Aug-93	0915		LORRIE'S	119	NORTH	RED/WHITE	WAITING OVERTIME
06-Aug-93	1841		LORRIE'S	120	SOUTH	WHITE	NO DECALS
07-Aug-93	0950		LORRIE'S	109	NORTH	YELLOW SIGN	WAITING OVERTIME
08-Aug-93	1700		LORRIE'S	100	NORTH	WHITE	DOUBLE PARKING
08-Aug-93	1803		LORRIE'S	100	SOUTH	YELLOW SIGN	SOLICITATION
09-Aug-93	0708		LORRIE'S	140	INTERNATIONAL	WHITE	DOUBLE PARKING
09-Aug-93	1758		LORRIE'S	177	INTERNATIONAL	RED/WHITE	NO ID
09-Aug-93	1835		LORRIE'S	100	INTERNATIONAL	WHITE	DOUBLE PARKING
09-Aug-93	1850		LORRIE'S	119	NORTH	WHITE	DOUBLE PARKING
10-Aug-93	1203		LORRIE'S	132	INTERNATIONAL	WHITE	DOUBLE PARKING
10-Aug-93	1215	KAGELMAN	LORRIE'S	140	NORTH	YELLOW SIGN	NO ID
10-Aug-93	1815	BAUTISTA	LORRIE'S	177	SOUTH	WHITE	ILLEGAL WAITING
10-Aug-93	1850	MONTE	LORRIE'S	158	INTERNATIONAL	WHITE	ILLEGAL WAITING
11-Aug-93	1430		LORRIE'S	100	SOUTH	WHITE	DOUBLE PARKING
11-Aug-93	2212	MENBRANO	LORRIE'S	119	SOUTH	YELLOW SIGN	NO ID
12-Aug-93	0742		LORRIE'S	115	SOUTH	WHITE	DOUBLE PARKING

1993 Admonishments Filed—Door to Door Vans

DATE	TIME	DRIVER	COMPANY	VEHICLE #	LOCATION	ZONE	INFRACTIONS
07-Aug-93	0655		SUPERSHUTTLE	335	SOUTH	AUDIT POINT	VERBAL ALTERCATION
07-Aug-93	0737	GABRIEL	SUPERSHUTTLE	366	ROAD 20	AUDIT POINT	IMPROPER USE
07-Aug-93	0821	TRAINI	SUPERSHUTTLE	310	ROAD 20	AUDIT POINT	IMPROPER USE
07-Aug-93	0835	KNOCH	SUPERSHUTTLE	344	ROAD 20	AUDIT POINT	IMPROPER USE
07-Aug-93	0958	ROBERTS	SUPERSHUTTLE	340	SOUTH	GREEN/WHITE	IMPROPER BOARDING
07-Aug-93	1014	COLBURN	SUPERSHUTTLE	345	NORTH	GREEN/WHITE	IMPROPER BOARDING
08-Aug-93	0953	LOUBIE	SUPERSHUTTLE	372	ROAD 20	AUDIT POINT	IMPROPER USE
08-Aug-93	1045	WONG	SUPERSHUTTLE	317	ROAD 20	AUDIT POINT	IMPROPER USE
08-Aug-93	1637		SUPERSHUTTLE	398	SOUTH	WHITE	BLOCKED XWALK
08-Aug-93	1650		SUPERSHUTTLE	331	SOUTH	WHITE	UNATTENDED VEHICLE
08-Aug-93	1730		SUPERSHUTTLE	336	NORTH	WHITE	DOUBLE PARKING
08-Aug-93	1730		SUPERSHUTTLE	337	NORTH	WHITE	DOUBLE PARKING
08-Aug-93	1730		SUPERSHUTTLE	351	NORTH	WHITE	DOUBLE PARKING
08-Aug-93	1915	LINDSTROM	SUPERSHUTTLE	331	LOT CC	EMPLOYEE AREA	ILLEGAL WAITING
08-Aug-93	2121		SUPERSHUTTLE	389	COURTYARD #1		IMPROPER USE
09-Aug-93	0805		SUPERSHUTTLE	311	SOUTH	WHITE	DOUBLE PARKING
09-Aug-93	0810		SUPERSHUTTLE	378	SOUTH	WHITE	DOUBLE PARKING
09-Aug-93	1515	DIEMONT	SUPERSHUTTLE	352	SOUTH	WHITE	UNSAFE DRIVING
09-Aug-93	1740		SUPERSHUTTLE	325	NORTH	BLUE SIGN	TOO MANY VANS IN ZONE
09-Aug-93	1745		SUPERSHUTTLE	387	NORTH	BLUE SIGN	TOO MANY VANS IN ZONE
09-Aug-93	1839	DAVIS	SUPERSHUTTLE	360	ROAD 1		UNSAFE DRIVING
09-Aug-93	1900		SUPERSHUTTLE	370	SOUTH	BLUE SIGN	DOUBLE PARKING
10-Aug-93	1310		SUPERSHUTTLE	353	LOT CC	EMPLOYEE AREA	ILLEGAL WAITING
10-Aug-93	1735		SUPERSHUTTLE	319	SOUTH	WHITE	DOUBLE PARKING
10-Aug-93	1748	RODRIGUEZ	SUPERSHUTTLE	585	NORTH	WHITE	UNATTENDED VEHICLE
10-Aug-93	1811	CONRADO	SUPERSHUTTLE	328	NORTH	WHITE	DOUBLE PARKING
10-Aug-93	1850		SUPERSHUTTLE	386	SOUTH	WHITE	DISOBEYED SIGN
11-Aug-93	0808		SUPERSHUTTLE	391	SOUTH	WHITE	DOUBLE PARKING
11-Aug-93	0940		SUPERSHUTTLE	398	NORTH	WHITE	BLOCKED XWALK
11-Aug-93	0940		SUPERSHUTTLE	378	ROAD 20	AUDIT POINT	IMPROPER USE
11-Aug-93	10940		SUPERSHUTTLE	732	NORTH	WHITE	DOUBLE PARKING
11-Aug-93	1057		SUPERSHUTTLE	388	ROAD 20	AUDIT POINT	IMPROPER USE
11-Aug-93	1412	DONAHUE	SUPERSHUTTLE	348	NORTH	BLUE SIGN	TOO MANY VANS IN ZONE

1993 Admonishments Filed - Door to Door Vans

DATE	TIME	DRIVER	COMPANY	VEHICLE #	LOCATION	ZONE	INFRACTIONS
12-Aug-93	0827		SUPERSHUTTLE	352	SOUTH	WHITE	DOUBLE PARKING
12-Aug-93	1005		SUPERSHUTTLE	360	ROAD 20	AUDIT POINT	IMPROPER USE
12-Aug-93	1752	FULTON	SUPERSHUTTLE	9999	NORTH	BLUE SIGN	NO ID
12-Aug-93	1849	MOORE	SUPERSHUTTLE	9999	SOUTH	BLUE SIGN	NO ID

STATEMENT BEFORE SAN FRANCISCO AIRPORT COMMISSION

October 5, 1993

My name is Eric Mohr. I am a transportation engineer with wide experience in the profession. I hold a Ph.D. degree in Engineering from the University of California at Berkeley and a registration as a Professional Engineer in the State of California. I was Dean of Golden Gate University's School of Transportation and Distribution Management from 1984 to 1989 and continue to teach courses there. I have undertaken independent consulting assignments for a variety of clients, including the Metropolitan Transportation Commission and the State of California. Previously, I served on the staff of the California Public Utilities Commission where my final rank was that of Supervising Transportation Engineer.

Earlier this year, Geoff Gosling of the University of California at Berkeley and I assisted the management of Lorrie's Travel and Tours in preparing their proposal to your Commission. We have continued technical work in this subject area on our own and have written a paper on *The Role of Door-to-Door Vans in Airport Ground Transportation* which was presented last month at the fall meeting of the Airport Ground Transportation Association.

I have prepared a brief statement on the problems confronting you with regard to Door-to-Door Van operations at the airport. I make this statement not on behalf of any specific carrier or group of carriers but as a transportation professional concerned about an effective transportation system in the Bay Area. There are six points :

1. San Francisco International Airport is a major element of the Bay Area's economy and of its transportation system. Actions taken by you have multiple impacts throughout the region; likewise, you are affected by actions taken by others. As one of the biggest generators of ground traffic in the Bay Region,

the airport contributes to area-wide transportation problems, including congestion and pollution. You are well aware of these interactions and of the attendant responsibilities.

2. San Francisco International Airport is not only part of the transportation problem; it can also be part of the solution. Region-wide, indeed nationwide and even globally, we know we must shift from low-occupancy vehicle operation and the solo automobile driver to more economical high occupancy vehicles; in the case of the airport, that means the transit bus or train, the airport bus, the door-to-door van. Since 1975, air passenger traffic through this airport has increased by about 50%; the share of high occupancy vehicle use in airport ground traffic has increased from about 24% to about 27%; thus the total number of persons using HOV's has increased from about 4 million per year to about 6.5 million per year. There is potential for considerable additional increase in high occupancy vehicle use.
3. San Francisco International Airport is a transportation manager on both the airside and the landside. Success in achieving this increase in HOV traffic does not come without management problems. In the case of D/D Van operations, growth has brought a proliferation of carriers and a proliferation of problems in the areas of service, safety, driver conduct, and others. Ideally, free, unfettered competition should result in optimal service to the public and in the survival of the fittest carriers. It has not. You are well aware of both the problems and the need for action by you in resolving them.
4. San Francisco International Airport has authorized its staff to go forward in attempting to resolve the problem. Staff has taken a series of steps familiar to you, focusing on that part of D/D Van operations beset with the most problems, the handling of traffic outbound from the airport. Staff proposes to simplify, consolidate, and control that operation by entering into contracts

with two carefully selected carriers. The contracts are very specific and provide assurance of quality service to the public.

5. The realignment proposed by staff will require changes on the part of the industry. Like all change, this will not be easy - neither for the carriers chosen to enter into contracts nor for those without contract. The bottom line, however, is this: The total business handled by D/D Van Carriers will not shrink; on the contrary, it should continue the growth curve established during past years, probably at an accelerated pace because service and image will improve. The new arrangement leaves room for the experience and expertise of various present operators. The designated contract carriers will be permitted to subcontract out part of the work; all carriers are still permitted to transport passengers to the airport and pick up by prior arrangement.
6. San Francisco International Airport has an opportunity here to take a constructive step both as a good regional citizen as well as an effective manager. Change is never universally popular. It usually entails a period of transition and adjustment. But it is a sign of good management to be willing and able to make changes needed to achieve its goals.

I urge you to go forward with the course of action you initiated some months ago and place the responsibility for the operation of Door-to-Door Vans outbound from the airport with designated carriers, tightly bound to a specific contract. This will be an action for the benefit of the traveling public, the benefit of the D/D Van industry, and your own benefit as Airport Commissioners who will have the satisfaction of having resolved a difficult issue in the broader public interest.

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10/19/93

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MINUTES

OCTOBER 19, 1993

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Vice President

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JAMES K. HO

MARIE K. BROOKS

LOUIS A. TURPEN

Director Of Airports

**SAN FRANCISCO INTERNATIONAL AIRPORT
SAN FRANCISCO, CALIFORNIA 94128**

Index
of the Minutes
Airports Commission

October 19, 1993

A court reporter's transcript of this meeting is available.

<u>CALENDAR SECTION</u>	<u>AGENDA ITEM</u>	<u>TITLE</u>	<u>RESOLUTION NUMBER</u>	<u>PAGE</u>
A.		CALL TO ORDER:		3
B.		Roll Call:		3
C.		ANNOUNCEMENT BY SECRETARY:		3
D.		ITEMS INITIATED BY COMMISSIONERS:		4
E.		ITEMS RELATING TO ADMINISTRATION, OPERATIONS & MAINTENANCE:		
	1.	City of Pacifica Home Insulation Project	93-0216	4
	2.	Millbrae School District Noise Insulation Project (FY93/94 - \$135,700	93-0217	4
	3.	Award of Boarding Area "A" Retail Concession Lease A-2	93-0218	4
	4.	Award of South Terminal Boarding Area "B" and "C" Principal Retail Concession Lease	93-0219	5
	5.	Approve Revised Lease Specs & Rebid Boarding Area "A" Retail Concession Lease A-1	93-0220	5
	6.	Authorization to Contract with Peninsula Corridor Joint Powers Board to Operate CalTrain-SFO Shuttle & Authorize Acceptance of BAAQMD Funds	93-0221	5
F.		CONSENT CALENDAR OF ROUTINE ADMINISTRATIVE MATTERS:		
	7.	Award Contract 3062A - Taxiway "S" Reconstruction	93-0222	5

8.	Bid Call - Contract 3298 - Dike Stabilization at Plot 42 and North Access Road	93-0223	5
9.	Additions to the Five-Year Capital Projects Plan	93-0224	6
10.	\$17,999,781 Supplemental Appropriation of Capital Funds	93-0225	6
11.	Mod. No. 13 - Legal Services with MoFo Increasing Amount Relating to Noise Issues Agreement	93-0226	6
12.	Mod. No. 11 - Legal Services with Hanson, Bridget et al to Increase Contract Amount	93-0227	6
13.	Travel/Training for FY 1993/94	93-0228	6
14.	Approval of Claims Settlement	93-0229	6
G.	PUBLIC HEARING:		
15.	Airport Trip Reduction Rule & Authorization to Seek Delegation of Regional Trip Reduction Rule		7
16.	Proposed Amendments to SFIA Noise Regulation		7
H.	NEW BUSINESS:		
I.	CORRESPONDENCE:		
J.	CLOSED SESSION:		
	Pending Litigation: Millbrae, Brisbane et al; Sierra Point Associates Two, The Koll Co.;		3
	Personnel Matters		7
K.	ADJOURNMENT:		
			8

Minutes
of the
Airports Commission Meeting

October 19, 1993

A court reporter's transcript of this meeting is available.

A. CALL TO ORDER:

The regular meeting of the Airports Commission was called to order at 9:03 A.M. in Room 282, City Hall, San Francisco, Ca.

* * *

B. ROLL CALL:

Present:

Patrick A. Murphy, President
J. Stanley Mattison, Vice President
L. Andrew Jeanpierre
Marie K. Brooks

James K. Ho arrived at 9:15 AM

J. Stanley Mattison left the meeting
at 9:30 AM.

* * *

The meeting was recessed at 9:04 AM to go into closed session. The meeting was reconvened at 9:30 AM. Commissioner Mattison left the meeting at the conclusion of the closed session.

J. CLOSED SESSION:

The Airports Commission will go into closed session in accordance with Government Code Section 54956.9(a)(1) to discuss pending litigation entitled Millbrae, Brisbane et al v Airports Commission; and, Sierra Point Associates Two, The Koll Company v CCSF; and, Government Code Section 54957 to discuss personnel matters.

* * *

D. ANNOUNCEMENT BY SECRETARY:

In accordance with Section 54957.1 of the Brown Act, Jean Caramatti, Commission Secretary announced unanimous adoption of resolution no. 93-0215 approving settlement with Dynasty Express Corp. dba General Rent-A-Car and terminating Lease No. 91-0067A at the closed session of October 5, 1993.

D. ITEMS INITIATED BY COMMISSIONERS:

There were no items initiated by Commissioners.

E. ITEMS RELATING TO ADMINISTRATION, OPERATIONS & MAINTENANCE:

Item nos. 1 through 6 were adopted unanimously.

1. City of Pacifica Home Insulation Project

No. 93-0216

Resolution authorizing expenditure of funds by Director for insulation of approximately 150 residences in City of Pacifica authorized for FY93/94. Expenditure of \$750,000 is limited to:

- a. 20% of the building insulation costs for each unit.
- b. Subject to granting a Noise Easement to CCSF for each unit insulated.

2. Millbrae School District Noise Insulation Project (FY93/94 - \$135,700)

No. 93-0217

Resolution authorizing expenditure of funds by Director for Noise Insulation in Millbrae School District authorized for FY93/94. Expenditure of \$135,700 is limited to the following:

- a. 20% of the total insulation costs for the Taylor Middle School.
- b. Subject to granting a Noise Easement to CCSF for the school insulated.

3. Award of Boarding Area "A" Retail Concession Lease A-2

No. 93-0218

Resolution awarding the Boarding Area "A" Retail Concession Lease A-2 to Marilla Chocolate Company, Inc.

4. Award of South Terminal Boarding Areas "B" and "C" Principal Retail Concession Lease

No. 93-0219

Resolution awarding South Terminal Boarding Areas "B" and "C" Principal Retail Concession Lease for seven retail merchandise shops to Host International, Inc.

5. Authorization Approving Revised Lease Specifications and Rebid of the Boarding Area "A" Retail Concession Lease A-1

No. 93-0220

Resolution approving revised leasehold specifications and authorizing Director to receive bids for rebid of Boarding Area "A" Retail Concession Lease A-1.

6. Authorization to Contract with Peninsula Corridor Joint Powers Board to Operate CalTrain-SFO Shuttle and Authorization to Accept BAAQMD Funds

No. 93-0221

Resolution authorizing Director to contract with Peninsula Corridor Joint Powers Board to operate CalTrain-SFO Shuttle for a one-year trial and accept and expend partial funding from BAAQMD to operate the off-Airport portion of the CalTrain-SFO Shuttle.

* * *

F. CONSENT CALENDAR OF ROUTINE ADMINISTRATIVE MATTERS:

Item nos. 7 through 14 were adopted unanimously.

7. Award Contract 3062A - Taxiway "S" Reconstruction

No. 93-0222

Resolution awarding Contract No. 3062A to Interstate Grading and Paving, Inc. in the amount of \$754,709.75.

8. Bid Call - Contract 3298 - Dike Stabilization at Plot 42 and North Access Road

No. 93-0223

Resolution approving scope, budget, and schedule for Contract 3298 and authorizing Director to call for bids when ready.

9. Additions to the Five-Year Capital Projects Plan

No. 93-0224

Resolution approving \$106.4 million in additions to the Airport's Five-Year Capital Projects Plan.

10. \$17,999,781.00 Supplemental Appropriation of Capital Funds

No. 93-0225

Resolution approving supplemental appropriation of FY 92/93 interest earnings and other capital funds.

11. Modification No. 13 of Legal Services Agreement with Morrison & Foerster to Increase Contract Amount Relating to Noise Issues Agreement

No. 93-0226

Resolution approving Mod. No. 13 of Legal Services Agreement with law firm of Morrison & Foerster to increase the compensation payable by \$50,000.00 for legal services in connection with Boeing Q707 and noise abatement issues.

12. Modification No. 11 of Legal Services Agreement with Hanson, Bridgett, Marcus, Vlahos & Rudy to Increase Contract Amount

No. 93-0227

Resolution approving Mod. No. 11 of Legal Services Agreement with law firm of Hanson, Bridgett et al to increase compensation payable by \$300,000.00; all other terms and conditions of Agreement to remain in full force and effect.

13. Travel/Training Fiscal Year 1993/94

No. 93-0228

14. Approval of Claims Settlement

No. 93-0229

Resolution approving the settlement of claims not exceeding \$5,000.00 for the period July 1992 to June 1993.
Total Claims: \$14,695.99

* * *

G. PUBLIC HEARING:

The public hearing was called to order at 9:45 AM and adjourned at 9:46 AM, there being no requests from the public to speak.

15. Hearing on the Airport Trip Reduction Rule and Authorization to Seek Delegation of the Regional Trip Reduction Rule

Hearing on Airport Trip Reduction Rule and authorization to seek delegation to Airport from Bay Area Air Quality Management District of BAAQMD's Trip Reduction Rule (Requirement for Large Employers.)

The public hearing was called to order at 9:47 AM and adjourned at 9:55 AM, there being no further requests from the public to speak.

16. Proposed Amendments to SFIA Noise Regulation

* *

H. NEW BUSINESS:

There was no discussion by the Commission.

* * *

I. CORRESPONDENCE:

There was no discussion by the Commission.

* * *

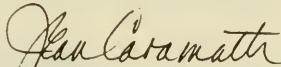
J. CLOSED SESSION:

The Airports Commission will go into closed session in accordance with Government Code Section 54956.9(a)(1) to discuss pending litigation entitled Millbrae, Brisbane et al v Airports Commission; and, Sierra Point Associates Two, The Koll Company v CCSF; and, Government Code Section 54957 to discuss personnel matters.

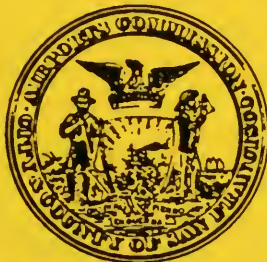
* * *

L. ADJOURNMENT:

There being no further calendared business before the Commission, the meeting was adjourned at 9:55 AM to go into closed session.


Jean Caramatti
Commission secretary

SAN FRANCISCO AIRPORTS COMMISSION



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MINUTES

NOVEMBER 2, 1993

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Vice President

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JAMES K. HO

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LOUIS A. TURPEN

Director Of Airports

SAN FRANCISCO INTERNATIONAL AIRPORT
SAN FRANCISCO, CALIFORNIA 94128

Index
of the Minutes
Airports Commission

November 2, 1993

<u>CALENDAR SECTION</u>	<u>AGENDA ITEM</u>	<u>TITLE</u>	<u>RESOLUTION NUMBER</u>	<u>PAGE</u>
A.		CALL TO ORDER:		3
B.		ROLL CALL:		3
C.		ADOPTION OF MINUTES:		
		Regular meeting of October 5, 1993	93-0230	3
D.		SPECIAL ITEM:		
	1.	Commendation for Angela Gittens	93-0231	3-5
E.		DIRECTOR'S REPORTS:		
	2.	Report on Rideshare Week Activities at SFO		5-6
	3.	Report on Media Campaign Promoting Ground Transportation Services		5-6
F.		ITEMS INITIATED BY COMMISSIONERS:		6
G.		ITEMS RELATING TO ADMINISTRATION, OPERATIONS & MAINTENANCE:		
	4.	Adopt Airport Trip Reduction Rule & Authorization to Seek Delegation of Regional Trip Reduction Rule		6-7
	5.	Selection of Security System Design Consultant	93-0232	7-8
	6.	Fixed Base Operations Services Operating Agreement - Accept Proposals & Hold Over Signature Flight Support	93-0233	8

H.	CONSENT CALENDAR OF ROUTINE ADMINISTRATIVE MATTERS:		
7.	Award Land Surveying Service Contract to KCA Engineers, Inc.	93-0234	9
8.	Modification to Cogeneration Plan		9
9.	Resolution Ratifying Personnel Actions	93-0235	9
10.	Travel/Training for FY 1993/94	93-0236	9
I.	NEW BUSINESS:		9
J.	CORRESPONDENCE:		9
K.	CLOSED SESSION:		
	Pending Litigation: Allders; Calif. DOT Application; Personnel Matters		10
L.	ADJOURNMENT:		10

Minutes
of the
Airports Commission Meeting

November 2, 1993

A. CALL TO ORDER:

The regular meeting of the Airports Commission was called to order at 9:06 A.M. in Room 282, City Hall, San Francisco, Ca.

* * *

B. ROLL CALL:

Present:

Patrick A. Murphy, President
J. Stanley Mattison, Vice President
L. Andrew Jeanpierre
James K. Ho

Marie K. Brooks arrived at 9:12 AM

* * *

C. ADOPTION OF MINUTES:

The minutes of the regular meeting of October 5, 1993 were adopted by order of the Commission President.

No. 93-0230

* * *

D. SPECIAL ITEM:

Item no. 1 was adopted unanimously.

1. Commendation for Angela Gittens

No. 93-0231

Mr. Lou Turpen, Airport Director said that the Commission is aware of Angela's selection as the Director of Atlanta Airport. He said that Angela joined the SFO staff in the Spring of 1983. The Airport is indebted to her for her selfless commitment to SFO. She has worked diligently and in the absolute best interest of San Francisco Airport and the results of her stewardship with Business and Finance are evident to everyone who visits our Airport.

Mr. Turpen said that Business and Finance has traditionally been a difficult position at SFO. Past years have seen a high turnover rate. Angela brought not only a tremendous amount of professionalism but a much needed stability and consistency in the application of the Commission's policies. She did so fairly and is widely respected at the Airport by staff and tenants alike.

Mr. Turpen said that it has been a pleasure to work with her over the past ten years and we are delighted for her. We think she has earned this opportunity and will do a great job.

Ms. Angela Gittens, Deputy Director for Business and Finance thanked the Director for his kind words and encouragement. She also thanked the Commission for allowing Airport staff to take their integrity for granted. The staff has been able to reliably predict that decisions would be made based on sound business principles, rational analysis and respect for the public trust that is the Airport. The Commission has made it easy to be their staff. She said that she wished Commissioner Brooks were present as she is definitely included in her observations.

Ms. Gittens said that the staff that she is leaving behind will make their job easy as well. She hates to think that she won't be missed, but the Commission will find out that the brains of Business and Finance are still here. She said Peter Nardoza, John Martin, Bob Rhoades, Lilia Avendano, Jim Ilnicki, Dave Nitchman, Sandra Crumpler and their staffs have stayed in the background, allowing her to gain the reputation that has led to this opportunity. They are all experts in their field who, if there were an Olympics in Business and Finance, would each bring home a gold medal. If she could beam them to Atlanta, she would do so.

Ms. Gittens said that finally, and with most difficulty, she thanked Lou Turpen, the person actually responsible for her departure. Knowing him, with his foresight and strategic abilities, she believed he had been plotting this move for 10 years. He has been her mentor, her coach, her technical advisor, her shield and her battering ram. He has given her the confidence to move on. In thanking him, her goal in Atlanta is to live up to the values and standards he has instilled in all of his staff. She said that if she could be one tenth of the Airport Manager he is she will count herself a resounding success.

Commissioner Murphy joined Mr. Turpen in his remarks and mentioned her particularly exceptional performance in her efforts to obtain the participation of minority and women businesses in Airport contracts. That was handled extremely well during his tenure on the Commission and has been a resounding success. He knew that Angela had a great deal to do with it. He thanked her for her efforts.

Commissioner Mattison said that the balance that she has brought to the job is a remarkable asset and will be difficult to replace. The Airport has come to demonstrate an exceptional degree of competence in an era in which bureaucracies, on any level, are fairly easy targets. To see the Airport and the way it has achieved the balance

between the needs of such a broad spectrum of constituents is truly a wonderful testimonial to what is possible in government. He enthusiastically seconded the comments made by Mr. Turpen and Commissioner Murphy and wished her well in Atlanta.

Commissioner Jeanpierre thanked Angela and told her she was an exceptional person and did a wonderful job.

* * *

E. DIRECTOR'S REPORTS:

Item nos. 2 and 3 were called together.

2. Report on Rideshare Week Activities at SFO

Report on the activities undertaken during Rideshare Week to increase employee awareness of their commute options and acknowledge employees who rideshare regularly through a Commute Awards Program.

3. Progress on Media Campaign to Promote Ground Transportation Services

Report describing the holiday campaign to promote ground transportation services and increase public awareness of transportation alternatives.

Mr. Turpen said that elements of the media campaign have already been aired on the radio in preparation of the holiday travel season. Launched by the Commission a few years ago, the program has been very creative and well received. It is now a traditional effort in promoting mass transit usage.

Mr. George England, member of the United Taxicab Workers, said that he heard the ad and called the 800 number. The operator told him he could share a taxi, limousine, door-to-door shuttle or a bus to the the Airport. He said that the operator asked from which area he would be coming. He responded that he was coming from San Francisco. The operator read 14 shuttle companies and their phone numbers. She asked if he would like the number for Airporter and SamTrans. He asked her about taxis and limousines. She responded by giving him a number for limousines. He asked her about taxicabs and she responded that he could call any number in the phone book.

Mr. England felt this was a deliberate effort to prevent cabs from doing business. The Airport was spending \$200,000 on a media campaign to promote ground transportation when it really is a promotion for shuttles. He said that his own experience with the Information Booths

is part of this same program to promote shuttles. He claimed that the term "ground transportation" is a euphemism for shuttles.

Mr. England said that the item on the ballot today provides for more taxicabs on the street without any effort to promote taxi business. People like taking taxis. He becomes concerned when he sees a campaign like this. If the campaign simply suggested looking in the telephone book for taxicabs, limousines or shuttles, that would be fine. However, when numbers are listed for every mode of ground transportation except taxicabs, that is a problem.

Mr. Turpen said that he will look into the situation.

Commissioner Murphy said that at first blush it does not appear to be a level playing field.

* * *

F. ITEMS INITIATED BY COMMISSIONERS:

There were no items initiated by Commissioners.

* * *

G. ITEMS RELATING TO ADMINISTRATION, OPERATIONS & MAINTENANCE:

Item no. 4 was put over. Item nos. 5 and 6 were adopted unanimously.

4. Adoption of the Airport Trip Reduction Rule and Authorization to Seek Delegation of the Regional Trip Reduction Rule

Adopt the Airport Trip Reduction Rule, and authorize staff to seek delegation to the Airport from the Bay Area Air Quality Management District (BAAQMD) of BAAQMD's Trip Reduction Rule (Requirements for Large Employers).

Mr. Turpen said that this is a follow-up to the public hearing conducted at the last meeting.

Ms. Shelley Kessler, Airport Labor Coalition, said that she was unable to attend the last meeting. She is concerned with page 5 of the Trip Reduction Rule regarding employee parking. She explained that many times when there are collective bargaining agreements, parking is a part of the benefits established between employers and employees. She would not like this to undermine agreements currently in place.

Ms. Kessler also said that until there is accessible, affordable, available parking and transportation for employees who travel from the nine counties to work at the Airport, to charge for parking and

Minutes, November 2, 1993, Page 6

not provide other transportation options is unfair to those people who have to commute long distances. Employees cannot be expected to sit at a bus stop at 4:00 AM waiting for a bus to come along.

Ms. Kessler appreciated the efforts staff has taken to come up with viable options that are mandated by the State, however she asked the Commission to eliminate this particular language, especially "O", "Charge for Employee Parking" until such time as viable, affordable, accessible mass transportation is in place. She believed that all the other efforts that have been made to offset congestion are great. She felt that the Airport was making a valiant effort with regard to San Mateo County's Congestion Management Program but felt that that one piece of it was unfair.

Mr. Turpen felt that a clarification of intent might be necessary. Staff has long understood that asking people to take mass transit when there is none is difficult. The light rail system tie-in to CalTrain and some of the programs which are incorporated into our proposal are time-phased and dependent on some other actions. We can, if the Commission wishes, add some clarifying language which would not disadvantage people and place them in a situation where they could not get to their jobs.

Mr. Turpen asked the Commission to move with the understanding that staff will return with language on that specific concern.

Mr. Sheldon Fein, Deputy Director, Landside Operations directed the Commission to page 4, fourth paragraph, and said that this is BAAQMD's exact wording of the Trip Reduction Rule, Regulation 13, Rule 1. It says that the employer trip reduction strategies and measures "may include but are not limited to any or all of the following services, incentives and measures." Those items listed under "Parking Management" may be included.

Commissioner Murphy appreciated Mr. Fein's point but felt that some clarifying language might be appropriate.

Mr. Turpen said that he understood Ms. Kessler's concern. He suggested putting the item over to give staff the time to clarify the language and return to Bay Area Air Quality to ensure consistency.

Commissioner Murphy asked that the proposed language be discussed with the Airport Labor Coalition.

5. Selection of Security System Design Consultant

No. 93-0232

Approve selection of Ross & Baruzzini as engineering consultant for the design and implementation of an airport-wide security system and authorize staff to negotiate a Professional Services Contract with the consultant for approval and award.

Mr. Turpen said that of the 617 firms who volunteered to help develop the Master Plan, eight expressed an interest in helping us with our security system. Staff felt that six were qualified. The recommendation before the Commission is the result of a continuing selection process to identify firms for specific elements of the Master Plan.

Commissioner Mattison asked if this was a redesign or an augmentation of an existing system?

Mr. Gene Bordegaray, Administrator, Bureau of Design and Construction responded that it is going to be a combination of both. The original intent was to make sure that the security system of the new buildings was the latest design for airports. He said that in staffs efforts to do that we realized that we should be incorporating some of the existing structures in that entire security plan.

Commissioner Mattison asked if this firm deals purely in conceptual design or do they also deal in software, monitoring, etc.

Mr. Bordegaray responded that they design systems as well as provide software tailored to airports. They have provided security systems for five other airports.

6. Fixed Base Operations Services Operating Agreement - Accept Proposals and Hold Over Signature Flight Support

No. 93-0233

Resolution authorizing staff to accept proposals for the Fixed Base Operations Services Operating Agreement and approving the holdover of Signature Flight Support - San Francisco, Inc.

Ms. Angela Gittens, Deputy Director for Business and Finance reminded the Commission that a second Pre-RFP conference was held for this agreement. The changes in the new RFP make the tenant responsible for construction with reimbursement provided by the Airport. The Airport will own the building. The consideration for the operator is the percentage of gross sales of all goods and services, plus cents per gallon of fuel dispensed, 100% of landing fees and 50% of aircraft storage fees. The changes were well received by the attendees of the conference.

Mr. Turpen said that the FBO relocation to the North Field will open up some valuable property adjacent to the new International Terminal Complex for support functions.

Commissioner Mattison asked who were the major operators.

Ms. Gittens responded that Signature Flight Support, the current operator, Page Avjet and Johnson Controls are three that come to mind.

* * *

H. CONSENT CALENDAR OF ROUTINE ADMINISTRATIVE MATTERS:

Item nos. 7 and 9 were adopted unanimously. Item no. 8 was removed from the calendar.

7. Award of Land Surveying Service Contract to KCA Engineers, Inc.

No. 93-0234

Award of Land Surveying Services Contract to KCA Engineers, Inc., and establish a maximum budget of \$100,000 for the contract.

8. Modification to Cogeneration Plan

Modification of UAL-Cogen agreement for increased capacity of co-generation unit.

9. Resolution Ratifying Personnel Actions

No. 93-0235

Resolution, in accordance with the requirements of San Francisco City Charter Section 3.501, ratifying and approving certain personnel actions taken by the Director of Airports.

10. Travel/Training for FY 1993/94

No. 93-0236

* * *

I. NEW BUSINESS:

There was no discussion by the Commission.

* * *

J. CORRESPONDENCE:

There was no discussion by the Commission.

* * *

K. CLOSED SESSION:

The Airports Commission will go into closed session in accordance with Government Code Section 54956.9(a)(1) to discuss the following pending litigation: (1) Allders International, Ltd. v Airports Commission, CCSF; and, (2) Pending before the California Department of Transportation in the matter of the application of the CCSF through the Airports Commission; and, Government Code Section 54957 to discuss personnel matters.

* * *

L. ADJOURNMENT:

There being no further calendared business before the Commission the meeting adjourned at 9:33 AM to go into closed session.


Jean Caramatti
Commission Secretary

193
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NOVEMBER 16, 1993

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President

J. STANLEY MATTISON
Vice President

L. ANDREW JEANPIERRE

MARIE K. BROOKS

MICHAEL S. STRUNSKY

LOUIS A. TURPEN

Director Of Airports

SAN FRANCISCO INTERNATIONAL AIRPORT
SAN FRANCISCO, CALIFORNIA 94128

Index
of the Minutes
Airports Commission

November 16, 1993

<u>CALENDAR SECTION</u>	<u>AGENDA ITEM</u>	<u>TITLE</u>	<u>RESOLUTION NUMBER</u>	<u>PAGE</u>
A.		CALL TO ORDER:		3
B.		ROLL CALL:		3
C.		ADOPTION OF MINUTES:		
		Regular meeting of October 19, 1993	93-0238	3
D.		ANNOUNCEMENT BY SECRETARY		3
E.		ITEMS INITIATED BY COMMISSIONERS:		
		Welcome to Commissioner Strunsky		3
F.		ITEMS RELATING TO ADMINISTRATION, OPERATIONS & MAINTENANCE:		
	1.	Adopt Airport Trip Reduction Rules & Authorization to Seek Delegation of Regional Trip Reduction Rule	93-0239	4
	2.	Award Contract 3237 - International Terminal Property Management Relocation	93-0240	4
G.		CONSENT CALENDAR OF ROUTINE ADMINISTRATIVE MATTERS:		
	3.	Award Contract 3281 - Emergency Pavement Repair	93-0241	5
	4.	Award Contract 3204R - Airport Parking Garage - Standby Generator Rehabilitation	93-0242	5
	5.	Award Law Enforcement Psychological Services Contract	93-0243	5
	6.	South Terminal Cigarette Vending Lease - Exercise of Final Option	93-0244	5

7.	Approve Assignment of Sale: Self- Service Luggage Cart, Public Lockers & Over-the-Counter Baggage Storage Leases to New Smarte Carte, Inc. Ownership	93-0245	5-6
H.	NEW BUSINESS:		6
I.	CORRESPONDENCE:		6
J.	CLOSED SESSION:		
	Pending Lit.: Allders; Millbrae, Brisbane; Sierra Point Assoc. Two, The Koll Co.; Personnel Matters		6
K.	ADJOURNMENT:		7

Minutes
of the
Airports Commission Meeting

November 16, 1993

A. CALL TO ORDER:

The regular meeting of the Airports Commission was called to order at 9:00 A.M. in Room 282, City Hall, San Francisco, Ca.

* * *

B. ROLL CALL:

Present: Patrick A. Murphy, President
J. Stanley Mattison, Vice President
L. Andrew Jeanpierre
Michael S. Strunsky

Absent: Marie K. Brooks

* * *

C. ADOPTION OF MINUTES:

The minutes of the regular meeting of October 16, 1993 were adopted by order of the Commission President.

No. 93-0238

* * *

D. ANNOUNCEMENT BY SECRETARY:

In accordance with Section 54957.1 of the Brown Act, Jean Caramatti, Commission Secretary announced unanimous adoption of resolution no. 93-0237 confirming John Martin as Deputy Director of Business and Finance at the closed session of November 2, 1993.

* * *

E. ITEMS INITIATED BY COMMISSIONERS:

Commissioner Murphy introduced Michael S. Strunsky and welcomed him to the Commission.

F. ITEMS RELATING TO ADMINISTRATION, OPERATIONS & MAINTENANCE:

Item nos. 1 and 2 were adopted unanimously.

1. Adoption of the Airport Trip Reduction Rule and Authorization to Seek Delegation of the Regional Trip Reduction Rule

No. 93-0239	Adopt Airport Trip Reduction Rule and authorize staff to seek delegation to the Airport from the Bay Area Air Quality Management District (BAAQMD) of BAAQMD's Trip Reduction Rule (Requirements for Large Employers).
-------------	--

Mr. Lou Turpen, Airport Director reminded the Commission that a public hearing has been held on this item. Subsequent to the public hearing Shelley Kessler of the San Mateo Labor Coalition appeared and expressed some concerns regarding the wording in the trip reduction rules. Sheldon Fein has since worked on the wording with Bay Area Air Quality and the Labor Coalition. The new wording has satisfied the Coalition's concerns and is consistent with our representations to Bay Area Air Quality concerning the delegation.

Mr. Turpen said that although Ms. Kessler could not be present today, she did file a letter which has been provided to the Commission.

2. Award of Contract 3237 - International Terminal Property Management Relocation

No. 93-0240	Resolution awarding Contract 3237 International Terminal Property Management Relocation to P.L. Annuzzi, Inc. in the amount of \$183,000.00.
-------------	--

Mr. Turpen said that relocating the USO from the International to the South Terminal will permit us to consolidate Property Management.

Commissioner Mattison said that it seemed fine to him but asked if this was simply an efficiency move.

Mr. Turpen responded that although the employee head count has not changed appreciably over the years, activity in certain divisions has increased. This will allow us to consolidate Property Management.

Commissioner Mattison asked Mr. Turpen if he was comfortable with the disqualification of the apparent lower bidder.

Mr. Turpen responded that he was.

G. CONSENT CALENDAR OF ROUTINE ADMINISTRATIVE MATTERS:

Item nos. 3 through 7 were adopted unanimously.

3. Award of Contract 3281 - Emergency Pavement Repair

No. 93-0241

Resolution awarding Contract 3281 to Marinship/Ghilotti Bros. Construction, Inc., a joint venture, in the amount of \$373,400.00.

4. Award of Contract 3204R - Airport Parking Garage - Standby Generator Rehabilitation

No. 93-0242

Resolution awarding Contract 3204R to Abbett Electrical Corporation in the amount of \$184,153.00.

5. Award of Law Enforcement Psychological Services Contract

No. 93-0243

Award Professional Service Contract to Law Enforcement Psychological Services to act as the Airport's Psychological Examiner for an amount of \$65,000.00.

6. South Terminal Cigarette Vending Lease - Exercise of Final Option

No. 93-0244

Adopt resolution approving final one-year lease option for South Terminal Cigarette Vending Lease No. 90-0189.

7. Approve Assignment by Sale of Self-Service Luggage Cart, Public Lockers and Over-the-Counter Baggage Storage Leases to New Ownership of Smarte Carte, Inc.

No. 93-0245

Commissioner Mattison asked if the assignment was driven by a family decision to initiate a sale of the company to the employees and continue business as usual.

Mr. John Martin, Deputy Director of Business and Finance responded that the owners are selling to Castle Harlan Partners. Their investors are primarily government and private pension funds. The pension funds will be the primary stock holders. We feel that we will have an equal level of security as that of the current owners.

Commissioner Mattison assumed that management and employees will own some shares but not the majority voting stock.

Mr. Martin said that that was correct.

Mr. Turpen said that with the exception of the Muellners it is the same team that has been in place for years.

* * *

H. NEW BUSINESS:

Mr. Loyal Moore, Moore and Sons Trucking, said that the San Francisco Bay Area Truckers Co-op was recently organized. The co-op appreciates the Commission's efforts.

Mr. Ace Washington, San Francisco Bay Area Truckers, said that the Co-op will represent the majority of minority truckers in San Francisco. He provided the Commission with a copy of a letter to Ed Lee from the Co-op regarding their goals and objectives. He also submitted a letter from Ed Lee commending him for his recent work with the truckers and HRC.

Mr. Washington said that the Co-op has been working diligently with the HRC and the truckers to organize themselves and to ensure that they get the support they need from the Airports Commission in obtaining a fair share of the trucking at the Airport. Things have gone fairly well to date. He said that there had been some slight changes in the Dutra job. They had an outside broker but switched to someone else with the help of the Co-op.

Commissioner Mattison felt that the Co-op was a good idea.

* * *

I. CORRESPONDENCE:

There was no discussion by the Commission.

* * *

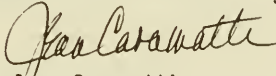
J. CLOSED SESSION:

The Airports Commission will go into closed session in accordance with Government Code Section 54956.9(a)(1) to discuss the following pending litigation: (1) Allders International, Ltd. v Airports Commission, CCSF; and, (2) Millbrae, Brisbane et al v Airports Commission; and, Sierra Point Associates Two, The Koll Company v CCSF; and, Government Code Section 54957 to discuss personnel matters.

* * *

K. ADJOURNMENT:

There being no further calendared business before the Commission, the meeting adjourned at 9:16 AM to go into closed session.


Jean Caramatti
Commission Secretary

San Mateo County
Central Labor Council



1153 Chess Drive, Suite 200
Foster City, California 94404
(415) 572-8848

AFL-CIO

November 15, 1993

Lou Turpen, Director
S.F. International Airport
San Francisco, CA 94128

BY FAX

Dear Mr. Turpen:

Thank you very much for the opportunity to address the Airports Commission regarding the Parking Management section of the Trip Reduction Rule. Your staff (Sheldon Fein and Gail Staba) has been kind enough to change the language so that it comes into compliance both with the collective bargaining agreements that currently exist, as well as with the reality many workers have to face in their regular commutes to the Airport.

The Airport Labor Coalition stands in full support of efforts to reduce the congestion problems at the Airport. We look forward to a day when there is adequate, accessible, affordable and safe transportation for everyone at SFIA. Until then, thanks again for your cooperation and good faith efforts to meet our concerns. Thanks also to the Commission for their willingness to take this issue into consideration.

I will be unable to attend the Commission meeting tomorrow, so please accept this notification as our endorsement and acceptance of the revised language in the Parking Management section of the Trip Reduction Rule.

Best Regards,

Shelley Kessler, Coordinator
San Francisco Airport Labor Coalition

ope 3 afl cio 174

City and County of San Francisco



Human Rights Commission

Office of Minority/Women Business Enterprise
Office of Contract Compliance
Office of Dispute Resolution

Edwin M. Lee
Director

October 18, 1993

TO WHOM IT MAY CONCERN

Ace Washington has played a very important role with the San Francisco Local Truckers MBE/WBE and the Human Rights Commission. Mr. Washington used his expertise in working with different City Departments, General Contractors and most of all the truckers themselves. He participated in consultant with the first joint-venture of MBE/WBE brokers. He was involved with the HAZ-MAT Training for the truckers. He is a member of the dump-site committee which is currently working in locating a dump-site for the local truckers.

All of these achievements have taken place in the past six months and I feel that he has performed an outstanding job. If you need additional information please do not hesitate to call.

Sincerely,


Edwin M. Lee
Director

EML:mlc



November 13, 1993

Mr. Edwin Lee, Director
HUMAN RIGHTS COMMISSION
25 Van Ness Avenue, 8th Floor
San Francisco, CA 94102

RE: SAN FRANCISCO BAY AREA TRUCKERS CO-OP

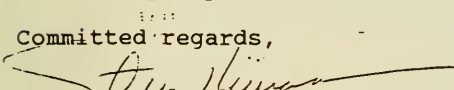
Mr. Lee:

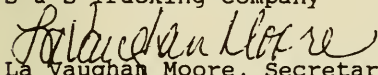
We want to take the time to impress upon you our position regarding our accomplishments and future goals:

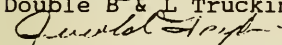
- We as a group have come to terms and agreements that all are willing to come together.
- As a positive group of San Francisco HRC certified local truckers, we plan to develop and implement a fair and impartial Central Dispatch Network for all local truckers to receive work on a daily basis.
- One of our major directives is to create and maintain a conducive working environment so that all local truckers will benefit.
- We as a group have created and will maintain a power base set on GOALS as a FOCUS as an issue to benefit all truckers.

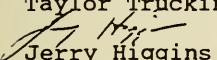
By signature below, we are on one accord to show dedication, motivation, commitment and the full support in every aspect available to the local truckers.

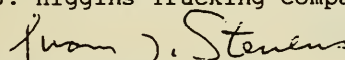
Committed regards,

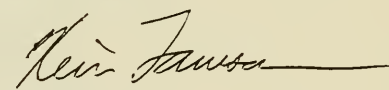

Steve Navarro,
President & Chairman
S & S Trucking Company

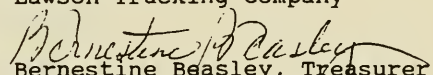

La Vaughan Moore, Secretary
Double B & L Trucking Company

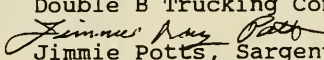

Jerrold Taylor, Sargent at Arms
Taylor Trucking Company

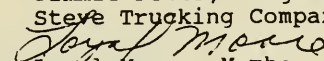

Jerry Higgins,
Vice President Subcommittees
J. Higgins Trucking Company

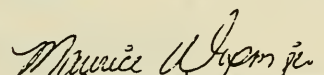

Ivan Stevens, Member
Steve Trucking Company


Kevin Lawson
Vice President
Lawson Trucking Company


Bernestine Beasley, Treasurer
Double B Trucking Company


Jimmie Potts, Sargent at Arms
Steve Trucking Company


Loyal Moore, Member
Moore & Sons Trucking Company


Maurice Wysinger, Member
Big M Trucking Company

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SAN FRANCISCO AIRPORTS COMMISSION

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MINUTES

DECEMBER 7, 1993

FRANK M. JORDAN, MAYOR

COMMISSIONERS

PATRICK A. MURPHY
President

J. STANLEY MATTISON
Vice President

L. ANDREW JEANPIERRE

MARIE K. BROOKS

MICHAEL S. STRUNSKY

LOUIS A. TURPEN

Director Of Airports

SAN FRANCISCO INTERNATIONAL AIRPORT
SAN FRANCISCO, CALIFORNIA 94128

Index
of the Minutes
Airports Commission

December 7, 1993

<u>CALENDAR SECTION</u>	<u>AGENDA ITEM</u>	<u>TITLE</u>	<u>RESOLUTION NUMBER</u>	<u>PAGE</u>
A.		CALL TO ORDER:		3
B.		ROLL CALL:		3
C.		ADOPTION OF MINUTES:		
		Regular meetings of Nov. 2, 1993 & Nov. 16, 1993	93-0246	3
D.		SPECIAL ITEM:		
	1.	Election of Officers	93-0247	3
E.		ITEMS INITIATED BY COMMISSIONERS:		4-7
		Dennis Bouey		4
		Minority Contractors		4-7
F.		ITEMS RELATING TO ADMINISTRATION, OPERATIONS & MIANTENANCE:		
	2.	Adoption of Amendments to SFIA Noise Abatement Regulation	93-0248	7-9
	3.	Approve Architects/Engineers Panels Nomination of Design Consultants for Master Plan Projects	93-0249	9-14
	4.	Award Boarding Area "A" Retail Concession Lease A-1	93-0250	15
G.		CONSENT CALENDAR OF ROUTINE ADMINISTRATIVE MATTERS:		
	5.	Retirement Resolution: Ted Bauer	93-0251	16
	6.	Award International Terminal Connector Hair Salon Lease	93-0252	16

7.	Bid Call - Contract 3299 - Crosswalk Lighting - Terminals	93-0253	16
8.	Ratify Personnel Actions	93-0254	16
H.	NEW BUSINESS:		16
I.	CORRESPONDENCE:		
	Letter from Bryant Chun-Hoon re: In-bond Duty Free Lease		17
J.	CLOSED SESSION:		
	Pending Lit. - Allders; Potential Lit.; Personnel		17
K.	ADJOURNMENT:		17

Minutes
of the
Airports Commission Meeting

December 7, 1993

A. CALL TO ORDER:

The regular meeting of the Airports Commission was called to order at 9:00 A.M. in Room 282, City Hall, San Francisco, Ca.

* * *

B. ROLL CALL:

Present:	Patrick A. Murphy, President
	J. Stanley Mattison, Vice President
	L. Andrew Jeanpierre
	Marie K. Brooks
	Michael S. Strunsky

* * *

C. ADOPTION OF MINUTES:

The minutes of the regular meetings of November 2, 1993 and November 16, 1993 were adopted by order of the Commission President.

No. 93-0246

* * *

E. SPECIAL ITEM:

Item no. 1 was adopted unanimously.

1. Election of Officers

No. 93-0247

Commissioner Brooks nominated Commissioners Murphy and Mattison as President and Vice President, respectively. The nominations were seconded by Commissioner Jeanpierre.

* * *

The following is a verbatim transcript of the December 7, 1993 meeting.

E. ITEMS INITIATED BY COMMISSIONERS:

COMMISSIONER MURPHY: Mr. Turpen, could you give us just a quick update on how we're doing on the ... well, maybe Mr. Bouey ought to do it on the two issues relating to minority contractors and the exposition we're planning for January.

MR. TURPEN: We'd be happy to but before that, Commissioner, if I may, I think the Commission is well aware that Mr. Bouey has been selected as the Director of the Port of San Francisco. We are obviously delighted for him and sorry to lose him. But, we are pleased at his selection and we know he will do an outstanding job and would like to just basically extend our congratulations to him at this time. Dennis.

COMMISSIONER JEANPIERRE: I thought Dennis wasn't going to accept it.

MR. TURPEN: Well, you know, when he didn't show up the first thing this morning I was beginning to wonder if he'd already gone over.

Dennis, if you could bring us up to date on the issue, please.

MR. DENNIS BOUEY, Deputy Director, Facilities Operations & Maintenance: As I think I previously briefed the Commission we believe that we are well on our way to putting together a fully integrated program that will help minority contractors and women-owned companies to fully participate in the contracts that are let by the Airport.

In addition to a bonding company we've lined up a bank to provide financing which is usually the number one reason why minority/women-owned companies cannot procure bonds. As well, we've lined up an accounting firm that will work on our behalf as well as offer discounted rates to minority/women owned companies and to help put their financial records in order, which is the second leading reason why minority/women-owned companies cannot get bonding.

As well we are going to put together an instruction program that will cover subjects like that ... financial record keeping, estimating, construction scheduling, bidding and so forth.

I regret to say that we're somewhat delayed in bringing the program to a conclusion, although I'm very confident that we will successfully bring it to a conclusion because our aim is to insure two things in the program ... one is to transition companies out so that they can get bonds on their own. The second is to guarantee that if they come into the program that they will be guaranteed a bond. That is where all the work is going now. Where we're working between the bank and the bonding company to interface with exactly what is the financial criteria that they will accept and at the same time guarantee that they will grant a bond. Part of that is that we require the accounting company to go in and get that information. And,

quite frankly, at first cut the amount of information the bonding company and the bank wanted would require the Airport to spend about \$10,000 per applicant for review, which was clearly out of line.

I think we're heading in the right direction. The biggest problem, quite frankly, is getting all the parties together at one time. I wish I could say I would have this done before Christmas but I am now estimating it will probably be late January or late February. I will ask Lou, and I've already mentioned it to Commissioner Murphy and Commissioner Jeanpierre, that even though I will be departing for the Port I believe this is one of those issues where its all personalities involved. Not only from our side but from the bank, the bonding company. A level of trust and commitment has developed and I desire to continue putting this program together and then will turn it over to the Airport upon its completion.

COMMISSIONER MATTISON: How will the pool of applicants be determined and what outreach is there to assure fairly early information and participation so that people can be up to curve by the time contracts roll around?

MR. BOUEY: In terms of outreach we have two mechanisms. One is the Airport has its own Outreach Office and, as well, we have hired an Afriacn American contractor who specializes not only in outreach but also in bonding and insurance problems, to go out into the community and try and find those companies that would most likely benefit from a program such as this.

In terms of acceptance, that's part of what I'm talking about is that we will develop a criteria and that we will tell a company that wants to participate you have to meet this financial criteria and if you do then the next thing you must do is you must attend these classes. They will probably be about 2-hours of duration, probably one or two nights a week for about four weeks. And then after that they will then be eligible to bid on Airport projects. And, if they were the successful bidder they would automatically qualify for a bond. This is contingent upon their always maintaining proper financial record keeping. The bonding companies and the bank have agreed that prior to their entering the program we don't care what state their books are in. Once they enter it, they must maintain the quality of their books to proper standards. If they don't, that will indicate to us that they are more interested in just getting a job rather than continuing in being a bonafide company.

COMMISSIONER MATTISON: Can we specifically go back to all of those firms of say the past two or three years that took it upon themselves to bid on Airport work that specifically failed because of the issues being addressed here and go back and make sure that those firms specifically are aware of this change.

MR. BOUEY: We could do that but generally I would say that in the 500 contracts I've awarded, which means we've probably had somewhere in the neighborhood of close to 5,000 bidders, I can only recall maybe one or two instances where companies have bid and weren't able to procure a bond.

What's the more likely scenario is that minority/women-owned companies feel shut out. They feel that they can't get a bond so they don't even bid. So we have to go and find those companies and encourage them to enter the program and then bid.

Interestingly enough through our African American consultant, BDI, we have found that there are a number of companies who just simply assumed that they can't get a bond. Once they contacted them and brought them through the process and found out that in fact they could get a bond and were, in fact, eligible to bid. We have a couple of small minority companies that have now gone through that process and now bid on Airport projects.

COMMISSIONER MURPHY: That has certainly been my experience. The trick is getting the bond. With the bond you could usually then go and attract bank financing and work something out.

COMMISSIONER STRUNSKY: Are you focusing this on companies that would bid directly to the Airport or are you focusing this on companies that might be subcontractors to other let say general contractors or prime contractors who might be bidding to the Airport? Because I can see two distinct differences in the kind of a program.

MR. BOUEY: Depending on the kind of response we get, if it were overwhelming in the beginning we would try to focus on those companies that would more likely be prime. And the reason is that those companies that generally work as subcontractors are able to get bonded through the prime and so our first help would be to those companies who want to move from subcontractor status and want to become primes but don't think they can make that jump.

COMMISSIONER STRUNSKY: That means that the contracts that are let will have to be tailored so that there are smaller contracts rather than be lumped into the big contracts. Things will have to be broken out carefully to make them available because, obviously, companies that have trouble getting a bond aren't going to be able to get \$50,000,000 bonds, they're going to have to start off in a progressive way.

MR. BOUEY: In fact, Commissioner, you raise a key point. This initial program, and we consider it a pilot program for the first year, that is all parties concerned at the end of one year will evaluate where it is and then make adjustments to the program. Hopefully, one of which will be to increase the dollar amount for which bonds will be issued through this program. It is currently contemplated that during the first year the maximum bond will be \$500,000.00. To that end, we have already identified 12 projects which we have broken up from other projects that will be set aside for this program that are \$500,000.00 and under.

COMMISSIONER JEANPIERRE: I think that it should be noted too that this program is geared toward businesses that have been in existence for at least three years.

COMMISSIONER MURPHY: Okay, thank you. Congratulations, again.

MR. BOUEY: Thank you, very much.

* * *

F. ITEMS RELATING TO ADMINISTRATION, OPERATIONS & MAINTENANCE:

Item nos. 2 through 4 were adopted unanimously.

2. Adoption of Amendments to SFIA Noise Abatement Regulation

No. 93-0248

MR. TURPEN: The Commission received a Director's Report from staff on September 21st. It was followed by an October public hearing. I know the Commission has received correspondence on this issue which it had time to review. In essence there are three proposed changes to the noise regulation. I'd recommend those to you at this time.

The one issue that I think probably remains for the Airport Community Roundtable is the question of the sideline noise, the extension of the deadline for making a decision on reducing the maximum noise level from 103 EPNdB.

The Roundtable is currently looking at that. They wanted a shorter fuse on the revisitation by the Airports Commission. Like two or three months instead of a year, but there is no guarantee that they'd be ready in two or three months and that that would just cause the Airports Commission to go into another administrative process.

So my suggestion to you would be to go ahead with the year. Obviously, if they are ready in two or three months my commitment to them is to come back to the Commission with their views at that time.

COMMISSIONER MURPHY: That's fair enough.

COMMISSIONER MATTISON: Is the Roundtable now pretty much up to speed and empathetic on the rationale for why we're doing so. I mean, they understand we're not just willy nilly trying to back off on our commitment to noise regulation. We're really taking a very positive productive stance. I'd hate to see it construed otherwise.

MR. TURPEN: No. I think, Commissioner, your observation is correct. I think the Roundtable understands that one, the benefits of restoring our relationship with the Federal Government is important to them long term in maintaining a positive relationship with the FAA, the benefits of which are starting to be felt already. On the other side of the coin I think, generally, with the exception of the sideline noise

level, I think there is general agreement that the other two provisions have served their intended purpose which was to protect us against a reduction in quiet airplanes.

COMMISSIONER MATTISON: Exactly. They did their good. As long as the Roundtable is fully aware of that, that's fine.

MR. TURPEN: I'm not saying that everybody agrees with that. What I'm saying is that as a general statement, yes, they are aware of it and understand it.

COMMISSIONER STRUNSKY: I'm flying a little blind here so just correct me if I'm wrong. There was some difference of opinion about aircraft that could or could not land due to our noise regulations with the FAA that resulted in some lawsuits. Does this touch on that in any way? Does this help us with the FAA? Are we going to take an opposition point of view?

COMMISSIONER MURPHY: No.

MR. TURPEN: This closes the book on that dispute.

COMMISSIONER MURPHY: It's part of the peace treaty with the FAA.

MR. TURPEN: Although some of the issues here, Commissioner, were not on point for the lawsuit, they were issues that were of concern to the FAA and since these changes that we are proposing are no longer material ... in essence no longer material to the noise regulation and something that the FAA expressed some concerns about from a national policy perspective. We were able to accommodate both of our objectives fairly effectively. So, this finishes the 707 dispute.

COMMISSIONER STRUNSKY: That was my question.

COMMISSIONER MURPHY: The noise regulation has done its job.

COMMISSIONER BROOKS: I move.

COMMISSIONER MURPHY: Second.

COMMISSION SECRETARY: Commissioner Murphy.

COMMISSIONER MURPHY: Yes.

COMMISSION SECRETARY: Commissioner Mattison.

COMMISSIONER MATTISON: Yes.

COMMISSION SECRETARY: Commissioner Jeanpierre.

COMMISSIONER JEANPIERRE: Yes.

COMMISSION SECRETARY: Commissioner Brooks.

COMMISSIONER BROOKS: Yes.

COMMISSION SECRETARY: Commissioner Strunsky.

COMMISSIONER STRUNSKY: Yes.

Item No. 3 was adopted by a 3-1 vote, with Commissioner Strunsky casting the dissenting vote. Commissioner Jeanpierre was recused from voting.

3. Approval of Architects/Engineers Selection Panel's Nomination of Design Consultants for Master Plan Projects

Resolution approving Architects/Engineers Selection Panel's nomination of design consultants for Master Plan projects listed below. Resolution also authorizes staff to negotiate and prepare contracts with the selected architects and engineers and present these contracts to the Commission for consideration and award.

<u>Contract No.</u>	<u>Project Title</u>
5905	Inbound-Outbound Ramps and Structures
5900	Elevated Circulation Roads
5520	New Boarding Area G
5510	New Boarding Area A
5400	New Boarding Area B, Phase I
5600A	North Rental Car Garage and GTC
5600B	South Rental Car Garage and GTC
5750	North Field Cargo Facilities
5850	West Cargo/Maintenance Facilities
5854	Pan Am Administration Bldg. Renovation

Minutes, December 7, 1993, Page 9

MR. GENE BORDEGARAY, Administrator, Bureau of Design and Construction: Commissioners, before you you see recommendations for 10 projects and the firms who are being recommended for those projects.

There were 30 firms who were candidates for the projects. Out of the 30, 20 of the firms are being awarded projects through joint ventures that they formulated before they submitted to us. As you see, the 10 projects amount to about \$600-million worth of construction. All the firms that are being recommended, the subconsultant goals for MBE/WBE have all been met with these firms. What this calendar package does is it authorizes the Airports Commission staff to negotiate with these firms for contracts which determine the scope of the work and to put a contract before you at another date for your approval.

COMMISSIONER MURPHY: Move.

COMMISSIONER STRUNSKY: Procedurally, I'd like to ask a question. I have some comments to make here. Should I do it now or in the order of voting?

COMMISSIONER MATTISON: I'll second and then we can discuss.

COMMISSIONER MURPHY: Now. Before we vote.

COMMISSIONER STRUNSKY: Obviously, I was not part of the approval of the selection process for architects and engineers. The Director sent me for my review a copy of how the short list, which is pretty long, was determined. I don't want to belabor it here because I think from a time point of view it isn't necessary, but I have some real problems with how that short list was determined and some of the criteria.

Obviously, the Commission has approved that in the past but it would be very hard for me to go along with the selection of the short list and therefore would be very hard for me to go along with ... I can give a couple specifics if anybody is interested, but the fact that prior airport design experience was not considered means only to me that we're teaching architects and engineers how to design an airport. When we did that once before the rationale for that was that previous design contracts have not been always given to companies with architectural/engineering experience in airports. I don't think that is a valid reason. I also don't think that the staff of the firms not being looked at takes advantage of the fact that some firms had better qualifications than others.

That's what I get from reading this but not sitting through any discussions. So, my concern is that the selection process was flawed and for that reason I'm not sure that I can go along with this particular award.

MR. TURPEN: Fine.

MR. BORDEGARAY: That's fine. We'd be willing to sit down to discuss that. One of the things that was evident in the system was that probably one of the priorities on this criteria was that we chose firms who were qualified and had a very good track record for performance. The expertise then for airport projects comes in later as the Airport staff can provide a lot of that expertise but in addition, subconsultants fill some of those expertise needs on those priors.

COMMISSIONER STRUNSKY: Well, I guess a difference of opinion as to whether that ... we're hiring people as drafting services to just put down what the Airport's staff has decided or whether we're trying to add outside expertise to the project to gain the best possible technical expertise that is available in the world today. Somehow or other to me that idea was missed.

COMMISSIONER MATTISON: We certainly are acutely aware of the controversy because we all are aware of significant firms in San Francisco that were not selected by virtue of the client interviews that were fairly remarkably exhaustive and we're aware of the deep level of frustration on the part of some very credible firms from my personal knowledge as well.

I don't share your conclusion that the process was flawed, though, in that regard in that we ... I think in not giving priority only or primarily to prior airport experience we really were aiming to open the door to a broad spectrum of eminently qualified professionals who had an unprecedented track record of performance. And we tried not to shut the door to those 99 percent of the firms who really could not have had airport experience prior to working at SFIA.

The conclusion is there is no perfect answer. It's just comforting somewhat that the integrity of the process was maintained. That was my principal concern. Did we consistently apply the criteria that we set out to apply in the beginning and sort of let the scores and the chips fall where they may. I'm satisfied after a great deal of investigation that that, in fact, did occur. So, I'm at peace with the results as a result of that.

Ironically, of course, as it turns out, the two or three most prominent firms who have complained the bitterest about the process were those who literally would not have had airport experience but for their prior undertakings at SFO. So, if the same criteria had been applied to them in their prior undertakings, neither of those firms would have been qualified either in a small circle of ironies.

I believe our construction results today at the Airport have indicated that we have been able to supplement expertise with on-Airport technical capability and achieve some very strong results. Though, I'm hopeful that the disquite about the results of the process can be

dealt with to your satisfaction, although I understand you're not at that point now, but I hope you will feel that we did take this very seriously and we would be delighted to talk with you further about it.

COMMISSIONER MURPHY: We did have some expression of concern over the criteria and the weighting of the criteria and I, at least, became quite satisfied that what we were doing was appropriate after some initial skepticism. I guess the world that turns primarily on customer satisfaction rather than other criteria isn't all bad.

MR. TURPEN: I think we had two out 617 firms, we had two firms ...

COMMISSIONER MURPHY: That is, I was going to say I've said this out of this room and I'll say this in this room ... the most remarkable thing to me in this whole process was the lack of controversy. Most civic lettings of a project this size ... not in this City, I'm not picking on San Francisco, let's take any city ... are not accompanied by the relative silence and spirit of cooperation this one was. It's usually a public hullabaloo of some magnitude and I think this was very professionally handled. There were certainly, and I agree with Commissioner Strunsky, there are things you could look at and think might have been done differently but the proof of it is really, as Commissioner Mattison said, the lack of concern from most people. I think most people in the process felt that it was very fair.

On the question of weighting toward prior Airport experience, the problem is that, to me, and I wrestled with this one when I first heard about it because it seemed counterintuitive, is that it tends to load it against newcomers, MBE's and WBE's and just makes it harder for them to qualify. And, I note that the ultimate winner, SOM for the major project, has all kinds of airport experience.

COMMISSIONER JEANPIERRE: I think, too, that the public sector has a duty to practice inclusion of all those various different groups in the contracting process. Otherwise, I feel that since the private sector won't do it we'll continue doing business as usual. Certain businesses that have the capability to excel in these particular areas would never get the opportunity. So, I think the process is right in terms of reaching out in this regard and attempting to include all those various different businesses that otherwise may not get the opportunity to participate.

COMMISSIONER MATTISON: Well, I remember being stunned by the level of the breadth of the inclusionary process in this case. Staff is to be commended for undertaking that broad a screening process. As I say, I was a little taken aback by it at first. Looking around the country at major infrastructure projects, it's fairly much a cliché that you go to the yellow pages and you pick the top ten firms and you bring them in and they do a wonderful multi-color, multi-media dog and pony show about their wonderful track record and then you pick one from

this one and this one and this one and off you go. It's a no brainer. And the fact that we went from the ground up and looked at the people who would be involved and did so with hundreds of firms and most importantly, talked to their customers as a leading screening criteria, it is probably unprecedented. I don't recommend it for everyone on every project, but I think for this project in this community it was a critically important process and I think it will be remembered as a strong endorsement of including a broad range of professionals in public projects.

MR. TURPEN: Thanks, Gene.

COMMISSIONER MURPHY: Anything else? Okay, vote.

COMMISSION SECRETARY: Commissioner Murphy.

COMMISSIONER MURPHY: Yes.

COMMISSION SECRETARY: Commissioner Mattison.

COMMISSIONER MATTISON: Yes.

COMMISSION SECRETARY: Commissioner Jenapierre.

COMMISSIONER JEANPIERRE: I abstain.

COMMISSION SECRETARY: That requires a vote, Commissioner, to be recused from voting.

COMMISSIONER MURPHY: Okay.

COMMISSIONER MATTISON: We can do that after the vote, or before?

MARA ROSALES, Airports General Counsel: I think it's appropriate to do it first.

COMMISSIONER MURPHY: All right, so we'll vote on Commissioner Jeanpierre's request to abstain.

COMMISSION SECRETARY: Commissioner Murphy.

COMMISSIONER MURPHY: Yes.

COMMISSION SECRETARY: Commissioner Mattison.

COMMISSIONER MATITSON: Yes.

COMMISSION SECRETARY: Commissioner Brooks.

COMMISSIONER BROOKS: Yes.

COMMISSION SECRETARY: Commissioner Strunsky.

COMMISSIONER STRUNSKY: From an understanding point of view, why? Is it polite to ask why?

COMMISSIONER JEANPIERRE: I beg your pardon.

COMMISSIONER STRUNSKY: It's my understanding, and I don't know this except that somebody mentioned it to me, that abstaining is not permitted under the City Charter.

COMMISSIONER MATTISON: We're recusing because of some ... would you like to address why?

COMMISSIONER JEANPIERRE: I have a client in this mix and I didn't want to vote on it.

COMMISSIONER STRUNSKY: Fine.

COMMISSION SECRETARY: We can continue with the vote. Commissioner Brooks.

COMMISSIONER BROOKS: Yes.

COMMISSION SECRETARY: Commissioner Strunsky.

COMMISSIONER STRUNSKY: No.

Item no. 4 was adopted unanimously.

4. Award of Boarding Area "A" Retail Concession Lease A-1

No. 93-0250

Resolution awarding the Boarding Area
"A" Retail Concession Lease A-1 to
Charnel Company, Inc.

MR. JOHN MARTIN, Deputy Director, Business and Finance: Members of the Commission, this is the award of the third retail lease for the South Terminal. Overall, the three retail leases will generate \$2.4-million annually compared to the \$3.2-million we previously have been receiving from Host under the Master Retail Lease.

Charnel is an MBE. This contract was designated for a small business set aside.

COMMISSIONER MURPHY: Any discussion? Move.

COMMISSIONER BROOKS: Second.

COMMISSION SECRETARY: Commissioner Murphy.

COMMISSIONER MURPHY: Yes.

COMMISSION SECRETARY: Commissioner Mattison.

COMMISSIONER MATTISON: Yes.

COMMISSION SECRETARY: Commissioner Jeanpierre.

COMMISSIONER JEANPIERRE: Yes.

COMMISSION SECRETARY: Commissioner Brooks.

COMMISSIONER BROOKS: Yes.

COMMISSION SECRETARY: Commissioner Strunsky.

COMMISSIONER STRUNSKY: Yes.

* * *

G. CONSENT CALENDAR OF ROUTINE ADMINISTRATIVE MATTERS:

Item nos. 5 through 8 were adopted unanimously.

5. Retirement Resolution: Ted Bauer

No. 93-0251

COMMISSIONER BROOKS: There is a typo in this resolution. Could I request that that be corrected before it is presented?

MR. TURPEN: We'll take care of it Commissioner.

6. Award of International Terminal Connector Hair Salon Lease

No. 93-0252

Resolution approving award of International Terminal Connector Hair Salon Lease to Kimberly Thompson.

7. Bid Call - Contract No. 3299 - Crosswalk Lighting - Terminals

No. 93-0253

Resolution approving the scope, budget and schedule for Airport Contract 3299 and authorizing the Director to call for bids when ready.

8. Resolution Ratifying Personnel Actions

No. 93-0254

Resolution, in accordance with the requirements of San Francisco City Charter Section 3.501, ratifying and approving certain personnel actions taken by the Director of Airports.

* * *

H. NEW BUSINESS:

There was no discussion by the Commission.

* * *

I. CORRESPONDENCE:

COMMISSIONER MATTISON: One item that I would just like to ask Counsel's assistance probably. It relates to an item that will be discussed typically from time to time in closed session. Principly the Allder's pending litigation. The Commission did receive an item of correspondence from possibly a well-intentioned but mis-informed person who was questioning the wisdom of our inclusion of a precondition for the in-bond Duty Free bid which we discussed a month or so ago. Principally the question comes about challenging the Commission's desire to commence the new lease with an entity that is not engaged in litigation with the City. This person mistakenly, either by misinformation of misinterpretation, has assumed that this precludes the bid process participation from any litigant involved with the City and that is not the case at all. In fact, we were attempting to resolve precisely the issue brought up in this correspondence. Namely, we were trying to insure that a proposed bidder would be allowed to participate in the bidding process and then would not be required to dismiss any litigation against the City that happened to be pending until that bidder was absolutely assured that they had won the bid. That is precisely the protection we were granting and this person assumes that we were trying to stop that potential participant from even bidding. That is clearly is not the case.

If we could draft correspondence in response clarifying that point, since it is a matter of public record I think it would be helpful to make sure we address those concerns.

* * *

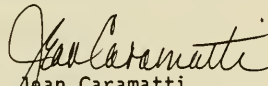
J. CLOSED SESSION:

The Airports Commission will go into closed session in accordance with Government Code Section 54956.9(a)(1) to discuss pending litigation entitled Allders International, Ltd. v Airports Commission, CCSF; Government Code Section 54956.9(b)(1) to discuss potential litigation; and, Government Code Section 54957 to discuss personnel matters.

* * *

K. ADJOURNMENT:

There being no further calendared business before the Commission, the meeting adjourned at 9:33 AM to go into closed session.


Jean Caramatti
Commission Secretary

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12/21/93

SAN FRANCISCO AIRPORTS COMMISSION



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MINUTES

DECEMBER 21, 1993

FRANK M. JORDAN, MAYOR

COMMISSIONERS

PATRICK A. MURPHY
President

J. STANLEY MATTISON
Vice President

L. ANDREW JEANPIERRE

MARIE K. BROOKS

MICHAEL S. STRUNSKY

LOUIS A. TURPEN
Director Of Airports

SAN FRANCISCO INTERNATIONAL AIRPORT
SAN FRANCISCO, CALIFORNIA 94128

Index
of the Minutes
Airports Commission

December 21, 1993

<u>CALENDAR SECTION</u>	<u>AGENDA ITEM</u>	<u>TITLE</u>	<u>RESOLUTION NUMBER</u>	<u>PAGE</u>
A complete court reporter's transcript is available.				
A.		CALL TO ORDER:		3
B.		ROLL CALL:		3
C.		ADOPTION OF MINUTES:		
		Regular meeting of December 7, 1993	93-0255	3
D.		SPECIAL ITEM:		
	1.	Commendation for Dennis Bouey	93-0256	3
E.		DIRECTOR'S REPORTS:		
	2.	Update on MBE/WBE Seminar		4
F.		ITEMS INITIATED BY COMMISSIONERS:		
		Airline Arrival/Departure Monitors		4
G.		ITEMS RELATING TO ADMINISTRATION, OPERATIONS & MAINTENANCE:		
	3.	Master Plan Insurance Program	93-0257	4
	4.	BART to SFO Extension		4
	5.	Hearing on Appeal of Director's Revocation of American Airporter Shuttle's Operating Permit	93-0258	4
H.		POLICY:		
	6.	Proposed Policy of Referring Operating Permit Revocation to Hearing Officer		4

I.	CONSENT CALENDAR OF ROUTINE ADMINISTRATIVE MATTERS:		
7.	Retirement Resolution: Vance Hendry	93-0259	5
8.	Award of Contract 3279 - Runway Rubber Removal - 1993-94	93-0260	5
9.	Design Approval - South Terminal Boarding Area "A" Retail Concession Lease A-2	93-0261	5
10.	Design Approval - South Terminal Boarding Areas "B" & "C" Principal Retail Concession Lease	93-0262	5
11.	Southwest Airlines - Rental Credit for Replacement fo Boarding Bridge at Gate 33	93-0263	5
J.	NEW BUSINESS:		5
K.	CORRESPONDENCE:		6
L.	CLOSED SESSION:		
	Pending Litigation: Sierra Point Assoc. Two, The Koll Co.; Potential Litigation Personnel		6
M.	ADJOURNMENT:		6

Minutes
of the
Airports Commission Meeting

December 21, 1993

A complete court reporter's transcript is available.

A. CALL TO ORDER:

The regular meeting of the Airports Commission was called to order at 9:00 A.M. in Room 282, City Hall, San Francisco, Ca.

* * *

B. ROLL CALL:

Present:	Patrick A. Murphy, President
	J. Stanley Mattison, Vice President
	L. Andrew Jeanpierre
	Marie K. Brooks
	Michael S. Strunsky

* * *

C. ADOPTION OF MINUTES:

The minutes of the regular meeting of December 7, 1993 were adopted by order of the Commission President.

No. 93-0255

* * *

D. SPECIAL ITEM:

Item no. 1 was adopted unanimously.

1. Commendation for Dennis Bouey

No. 93-0256

* * *

E. DIRECTOR'S REPORTS:

2. Update on MBE/WBE Seminar

* * *

F. ITEMS INITIATED BY COMMISSIONERS:

Commissioner Murphy asked about the possibility of installing airline arrival/departure monitors at the curbs.

* * *

G. ITEMS RELATING TO ADMINISTRATION, OPERATIONS & MAINTENANCE:

Item no. 3 was adopted unanimously.

3. Master Plan Insurance Program

No. 93-0257

Resolution approving Owner-Controlled Insurance Program and Request-for-Proposals for Broker services.

Item no. 4 was put over.

4. BART TO SFO Extension

Resolution to reaffirm support for BART extension to SFO and formalize criteria the Airports Commission will use to evaluate BART's proposal for the extension.

Item no. 5 was adopted unanimously.

5. Hearing on Appeal of Director's Revocation of American Airporter Shuttle's Operating Permit

* * *

H. POLICY:

6. Proposed Policy of Referring Operating Permit Revocation to Hearing Officer

* * *

I. CONSENT CALENDAR OF ROUTINE ADMINISTRATIVE MATTERS:

Item nos. 7 through 11 were adopted unanimously.

Minutes, December 21, 1993, Page 4

7. Retirement Resolution - Vance Hendry

No. 93-0259

8. Award of Contract No. 3279 - Runway Rubber Removal - 1993-94

No. 93-0260

Resolution awarding Contract 3279 to Rampart Waterblast, Inc., in the amount of \$188,450.00.

9. Design Approval - South Terminal Boarding Area "A" Retail Concession Lease A-2

No. 93-0261

Resolution to approve designs for Marilla Chocolate Company's South Terminal Boarding Area "A" Retail Concession Lease A-2 Shops.

10. Design Approval - South Terminal Boarding Areas "B" and "C" Principal Retail Concession Lease

No. 93-0262

Resolution to approve designs for the South Terminal Boarding Areas "B" and "C" Principal Retail Concession Lease.

11. Southwest Airlines - Rental Credit for Replacement of Boarding Bridge at Gate 33

No. 93-0263

Resolution authorizing a rent credit to Southwest Airlines to repair Gate 33 Boarding Bridge. Not to exceed \$25,000.

* * *

J. NEW BUSINESS:

There was no new business.

* * *

K. CORRESPONDENCE:

There was no discussion by the Commission.

* * *

L. CLOSED SESSION:

The Airports Commission will go into closed session in accordance with Government Code Section 54956.9(a) to discuss pending litigation entitled Sierra Point Associates Two, The Koll Company v CCSF; Government Code Sections 54956.9(b)(1) and 54956.9(c) to discuss potential litigation; and, Government Code Section 54957 to discuss personnel matters.

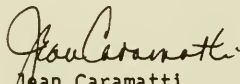
In accordance with Section 67.14 of the Sunshine Ordinance, the Airports Commission voted to disclose that the Judge in the Millbrae/Koll lawsuit requested an additional 30 days in which to render a decision.

The vote to disclose this information was 4 to 1, with Commissioner Brooks casting the dissenting vote.

* * *

M. ADJOURNMENT:

There being no further calendared business before the Commission the meeting adjourned at 9:40 AM to go into closed session.


Jean Caramatti
Commission Secretary

